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NEWS SUMMARY

GENERAL

Spanish protest swamps police

Volley after volley of teargas, smoke bombs and rubber bullets echoed through the streets of Barcelona for five hours yesterday as police fought to regain control of the centre of Spain's largest city from demonstrators.

Thousands of people surged through the streets in cars and on foot, demanding a general political amnesty and autonomy for Catalonia.

Dozens of arrests were made and a number of people were injured during baton charges. Police smashed some car windows with rifle butts and hauled out the occupants to club them as their frustration mounted at not being able to get through the traffic.

Repeatedly the main streets were totally choked by demonstrators and cars, allowing the Catalan flag to be paraded. Police chased groups into churches, bars and hotels and water cannon were in action. Roger Matthews. Back page

Guatemala still living in fear

With Guatemala City's population kept in a state of near-panic by continuing strong tremors, the country's earthquake disaster continues to grow as more towns and mountain villages are found to have been devastated. Hundreds of thousands of people continue to sleep out of doors as a precaution. Death toll is now officially put at 12,000. Back Page

Disabled children in fatal crash

A 12-year-old deaf and dumb boy and a man were killed last night in a multiple pile-up on the M-2 near Gillingham, Kent. The boy was one of a coach load of afflicted children returning from a weekend family visit to a special school in Margate. Fifteen children and three adults were also injured. The dead man was believed to have stopped his car to aid another driver.

Two men and a boy drowned yesterday when their fishing dinghy capsized in the sea off Rye, Sussex.

Drawing the sting

Mrs. Thatcher established herself yet more firmly as Conservative leader yesterday in the run-up to the anniversary of her election to the post. Her speech to Young Conservatives took some of the sting out of their resolution on the party's "ineffectual opposition," writes John Bourne. Page 4

New China PM

Although the full significance of the appointment of vice-premier Hua Kuo-Feng as China's new Prime Minister is not yet clear, the high level of publicity accorded to the news by the Peking People's Daily, suggests it is an important political move. Back Page

Roman stop-gap

Italy is expected to get a new Government this week. But it is likely to be only a minority Christian Democratic stop-gap, possibly leading to early elections. Page 7

Provo questioned

Special Branch officers were yesterday questioning Martin McGuinness, former Provo chief in Londonderry, who was captured by the army on Saturday in the Bogside. Four more people died in Ulster in incidents on Saturday night.

Porn 'on NHS'

Doctors are prescribing pornography on the National Health as a cure for sexual problems, according to Birmingham University lecturer Dr. Colin Brewer in the General Practitioner. And, he says, one hospital uses its "vast collection of erotica" to assess and manage "frigid ladies and sexual nonconformists."

People and places

Sixteen South African hotels have been allowed to accept non-white guests who, however, may not dance there or use their men-only bars.

Customs officers at Dover seized gold coins worth £70,000 from a car and a Belgian will appear in court to-day.

This week's £50,000 premium bond winner (MN 980598) lives in Kent.

Icelandic Ambassador Neils Sigurdsson left London yesterday on a new posting to Bonn. "Nothing to do with the cod war," he said.

Croydon police have charged a man with triple rape and assault with intent to rape.

BUSINESS

Central bankers meet in Basle

● **CENTRAL BANK** governors meet in Basle to-day. Under discussion will be Italy's financial position, parity between the French franc and the D-mark and the split between weak and strong currencies in the EEC "snake." Page 7

● **INDUSTRY** in the South East expects a gloomy year ahead with trade recession lasting to the end of 1976 or beyond, according to a London Chamber of Commerce survey. Most companies want to see a restoration of pay differentials in favour of the skilled worker ... Phase Two of the Government's counter-inflation policy. Page 4

Campaign by NUR leaders

● **RAIL UNION** leaders are intensifying their campaign to persuade the Government to keep the railway network at its present size and to withold further fare rises. Back Page

OIL

● **NORTH SEA** oil from the BP Forties Field will be available for customers in South-East England and East Anglia next week. Shell is almost ready to pressure test the 78-mile long oil pipeline from its Anglesey marine terminal to the Stanlow refinery on the Mersey and the pipe should come into operation later this year.

● **ECONOMIC INDICATORS** giving an up-to-date picture of the U.K. economy which are expected this week are; the wholesale price index (to-day), banking figures (Wednesday); industrial production index (Thursday), building societies' statistics and the January trade figures (Friday). Page 4

LABOUR

● **BRITISH LEYLAND** has been able to reduce the back-log of unfinished vehicles at its Cowley plant by about 3,000 in the last fortnight, following the easing of sanctions by workers. At Ford, however, craft union sanctions are likely to delay the launch of two new models later this year. Page 4

Docks Bill opposition

● **CBI OPPOSITION** to the Dock-work Extension Bill will be supported by Mr. James Prior, shadow spokesman for employment, in the Commons Second Reading debate to-morrow. He maintains the Bill will give the dockers a "stranglehold over the nation's food supplies." Page 4

● **PRIME MINISTER** is to visit Ulster to examine the unemployment crisis. Unemployment now stands at 11.1 per cent. in the Province.

● **SWITZERLAND'S** Gross National Product last year fell in real terms by 7 per cent., according to the Swiss federal bureau of statistics.

● **EEC** Foreign Ministers meeting in Brussels to-day, are expected to put at thetop of their agenda discussions on Greece's bid for membership of the Community. Page 7

● **ICELAND'S** fishing dispute with Britain will be raised to-day at a meeting between Iceland's foreign minister, President Ford and Dr. Henry Kissinger. A new confrontation for Britain over cod may come with Norway, which is impatient over the U.K delay regarding proposals for continued fishing in the White Sea grounds. Page 7

● **POLICE** investigations into the affairs of London and County Securities are nearing completion, and are to be forwarded to the Director of Public Prosecutions. Page 4

COMPANIES

● **DOBSON PARK INDUSTRIES'** chairman reports good trading for the first quarter. Page 20

● **HALL THERMOTANK** chairman Sir Iain Stewart says in his annual statement that any bid for the company would not meet with his approval. Page 20

● **MATHER & PLATT** has won a £4.75m. order for fire-protection equipment from Shell U.K. Exploration.

● **WEDD DURLACHER** is to revert from being a limited company to a partnership. The jobbing firm became a limited company in 1970 Page 4

Marxist-led forces claim capture of rival Angola capital

BY JANE BERGEROL, LUANDA, FEB. 8

Forces of the Marxist MPLA in Angola have entered and taken the rival FNLA-Unita capital, Huambo, an official military communiqué claimed here.

FNLA and Unita leaders evacuated the city for their military headquarters at Bié (Silva Porto) some days ago

However, it may not be long before the Marxist forces can push on to Bié—either from Huambo, or from Calucinga, the major crossroads leading to the city, whose capture was announced yesterday along with Alto Hama.

On Saturday a number of other gains by the MPLA—the Popular Movement for the Liberation of Angola—were made official.

These included on the northern front, the strategic coastal port of Santo Antonio do Zaire at the mouth of the Zaire river estuary, where it commands potential control of maritime traffic bound for neighbouring Zaire.

A North American prisoner was claimed to have been captured. But there has been no mention by the MPLA so far of the capture of any British mercenaries.

MPLA leader Agostinho Neto, by calling on all Angolans to join the struggle against the foreign supporters of FNLA and Unita, is raising the curtain on what is likely to be the next major development in the Angolan war.

This would be a direct confrontation between the MPLA, backed by its Cuban allies, now well equipped with Soviet arms, and South African regular forces. Pretoria has made clear that it intends to keep its troops inside southern Angola.

At a "mini" summit conference at the week-end, President Julius Nyerere of Tanzania condemned the South African presence in Angola and called for action to end South African aggression.

The MPLA and Cuban forces appear now to be close to military control of more than half of Angola.

The areas of control include the nerve centres of both the FNLA and its Kikongo tribal base, and of Unita's Ovimbundu tribe.

In his appeal for national unity in Luanda to-day, Dr. Neto called for a wide "front of patriots" to fight for Angola's freedom against Zairean, South African and European mercenary forces supporting the rival Government.

"It is a crime that some comrades, or at least compatriots, should at this time try to break this unity," he said.

He added that whether or not one was an MPLA militant "all patriots should be considered militants of this anti-imperialist front."

The capture by the MPLA of both Santo Antonio do Zaire in the north and the rival Government capital in the south would not only have obvious implications for the defeated FNLA and Unita battalions but for Angola's neighbours, Zaire and Zambia, who have supported the Huambo alliance and the entire course of the war.

As the northern port controls maritime traffic for Zaire, President Mobutu must be under far greater pressure to end his support for Holden Roberto and his FNLA than at any time since the war started a year ago.

The capture of Huambo not

Continued on Back Page

'14 mercenaries shot'

Fourteen British mercenaries were executed in Angola last Tuesday on the orders of their Greek-born commanding officer, according to a report reaching London last night. The man has been described as a "homicidal maniac."

Neil Davis, a journalist working for the NBC network, said the CO trained machine-guns on the firing squad to make sure they obeyed. The British troops were said to have wanted to return home.

Davis said the FNLA leader had ordered the arrest and court-martial of the commander, who had now disappeared, and was believed dead. A British officer had taken over.

In London last night, Security Advisory Services, the group recruiting most of the British mercenaries for Angola said from its Leeds HK it knew nothing of such killings.

"We are in daily contact with the unit commander. We have been in contact three times to-day, the last time at 3.30 p.m.—if anything like this had happened, we would be the first to know."

Confrontation likely over Enterprise Board role

BY MICHAEL DONNE and CHRISTOPHER LORENZ

AN UNPRECEDENTED confrontation over the role to be adopted by the National Enterprise Board towards its major industrial subsidiaries is expected to-day or to-morrow, when Lord Ryder, the NEB chairman, meets Sir Kenneth Keith, chairman of Rolls-Royce (1971) and the company's adviser, Lord Goodman.

Sir Kenneth himself has become disturbed by suggestions that Lord Ryder intends to regard the holdings of the NEB as subsidiaries, and answerable totally to it.

"Rolls-Royce is a very complex business. We understand it—and we can't be backseat-driven by people who don't," he said yesterday.

There are fears of resignations from the Rolls' Board if Lord Ryder's views prevail.

Suggestions that Sir Kenneth is representing most of the other companies which will shortly become partial or complete subsidiaries of the NEB—such as British Leyland, Alfred Herbert and Ferranti—were discounted yesterday.

Sir Robert Clark, acting chairman of British Leyland (and a colleague of Sir Kenneth at Hill Samuel), forecast that Leyland and the NEB would reach a formal agreement on their future "hands-off" relationship "within a week or so."

The NEB's powers would basically cover control of new capital, plus monitoring, but Leyland would very definitely manage the business, deciding such matters as model and employment policy, he said.

Draft memoranda of understanding about the relative powers of the NEB and its future subsidiaries have been sent to some—but not all of the Boards concerned.

Commenting on allegations that some Boards would lose all power, one senior executive concerned denied this applied to his company, describing the memorandum as "quite unexceptional."

The fundamental issue at stake is whether the NEB should act more as a financial holding company, with the power only to appoint directors and monitor performance, or more like an industrial parent company—such as Lord Ryder's former home, Reed International—with far more direct control, where the freedom of action of the subsidiaries' Boards is extremely constrained.

The argument over Rolls-Royce has reached such a pitch in anticipation of the long-promised Government guidelines on the NEB's exact relationship and modus operandi with its subsidiaries.

These are now expected this month, it was learned yesterday.

All the Government holdings concerned have still to be transferred to the NEB.

It is understood that Lord

Continued on Back Page

Tories plan attack over lack of NEB guidelines. Page 4

Accountants launch campaign for better auditing standards

BY MICHAEL LAFFERTY, CITY STAFF

THE INSTITUTE of Chartered Accountants in England and Wales is to increase its staff as part of a campaign to bring about improvements in auditing and the enforcement of accounting standards.

The Institute is shortly expected to recruit another three full-time staff members to serve as the secretariat of a new auditing practices committee.

This committee will be chaired by Mr. David Richards, a former Harmood Banner partner until the firm merged with Deloitte and Co., and its function will be to issue definitive auditing standards which will be binding on all auditors.

At present auditors proceed on the basis of their own experience and judgment, with the result that in practice auditing standards sometimes vary enormously.

The Institute's initiative follows the considerable adverse publicity attracted by recent Department of Trade reports into the affairs of a number of companies, culminating in the publication on January 29 of the inspectors' report on London and County Securities.

This report makes several criticisms of the company's auditors, Harmood Banner and Co., and concludes that the auditors should not have signed unqualified audit reports on the accounts of London and County, or one of its subsidiaries, at March 31, 1973.

Leading accountants freely admit that the profession is now facing its biggest crisis of public confidence since 1968-69, when criticism of the wide variety of alternative accounting practices available to companies led to the establishment of the accounting standards committee.

There is also a general acceptance that further investigations may throw up more embarrassing cases and the worst may not yet be over.

The Institute is also strengthening the staff of its technical department—part of whose function includes the monitoring of company accounts—with the secondment of a member of the staff of City accountants, Touche Ross and Co.

In a separate initiative Mr. John Grenside, institute president, recently wrote personally to the senior partners of a number of the largest City accounting firms, asking if their firms would be willing to inform the Institute of all apparent breaches of accounting standards which they encountered.

Although some initially expressed doubts about the "spying" aspect of the matter, their fears were subsequently resolved and these procedures are in operation.

The dilemma facing the Institute is whether or not auditors who have been guilty of negligence should be subject to the ultimate sanction of expulsion from the profession.

In the past, this course of action has always been restricted to cases where members had failed to pay subscriptions or had been found guilty in court of misconduct.

Mr. A. W. Moore, secretary of the Institute's professional standards committee, says that "the question of disciplinary action is not ruled out," but it depends on whether what has been done "amounts to discreditable conduct."

Mr. Moore has no doubt that some breaches of accounting and—when they emerge—auditing standards could amount to discreditable conduct.

But it seems clear that the Institute has doubts as to whether it could reasonably discipline a chartered accountant for poor auditing practices until definitive auditing standards are in force.

Even then it would prefer not to get involved in a policing exercise.

Meanwhile, it prefers to follow what Mr. Michael Renshall, the Institute's technical director calls a policy of "education and persuasion."

This policy has been discreetly operated by the Institute for the past two years with, it is claimed, almost 100 per cent. success.

It is standard institute policy to set up a sub-committee to consider each Department of Trade report where auditors or other chartered accountants have been criticised and these sub-committees have the power to interview any Institute member.

Mr. Moore said that a sub-committee on the London and County Securities report would be set up shortly.

TUC's review ready this week

TUC LEADERS meet this week to put the finishing touches to their annual economic review. This will pave the way for the next round of wage policy talks with the Government as well as put increased pressure on the Government to tackle rising unemployment.

The TUC's key economic committee meets on Wednesday, the eve of the announcement by Mr. Denis Healey, Chancellor of the Exchequer, of his promised package of measures to take some of the heat out of the unemployment situation.

These measures, which are likely to include an extension of the Temporary Employment Subsidy and more assistance for training and retraining schemes, will fall far short of those being demanded by the TUC in the economic review—which should be endorsed by the full TUC general council next week.

Unemployment fears among civil servants will be discussed to-day when Civil Service union leaders have talks with Lord Shepherd, the Lord Privy Seal, over proposed expenditure cuts which they fear could lead to the loss of 20,000 or more jobs.

As revealed in Saturday's Financial Times, the draft TUC review suggests pegging top salaries at about £20,000 a year and calls for Government moves to bring unemployment down to 600,000 by 1978.

The TUC feels that the present high unemployment and low economic growth levels will need to be reversed if the Government's moves to revive industry are to be successful.

To this end the review urges the Government to set itself a target of 100 planning agreements to be concluded with companies by 1978 together with a Government scheme to ensure that banks make more funds available for manufacturing industry.

Stage two

It is suggested that banks should be compelled to make interest-free deposits with the Bank of England which would be released only as the banks' lending to manufacturing industry increases.

The review will be discussed with Mr. Healey later this month so that he will be well aware of the TUC's views before he decides on the terms of his Budget due on April 6. By that time the Chancellor hopes to have a clearer idea of what is likely to emerge as the next stage of the voluntary wages policy to replace the £6-a-week limit which expires at the end of July.

The crucial debate on this subject has hardly begun within the TUC

Treasury plan on "fiscal drag" may be used in new pay talks, Back Page

Dutch start Lockheed payment probe

BY MICHAEL VAN OS

AMSTERDAM, Feb. 8.

THE DUTCH Government said in a special statement in The Hague to-night that investigations during the week-end had led to the conclusion that the "senior Dutch Government official" alleged to have received at least $1.1m. from Lockheed, the U.S. aircraft manufacturer, to help promote aircraft sales, was Prince Bernhard, the 64-year-old husband of Queen Juliana of the Netherlands.

Prince Bernhard has categorically stated he has never been offered nor received any payment from Lockheed. The Dutch Government has now ordered a full independent investigation—a decision which has the full backing of the Prince.

Dr. Joop den Uyl, the Dutch Prime Minister, said in a short television statement which was broadcast simultaneously on Dutch radio: "The conclusion that the official referred to must have been Prince Bernhard does not therefore mean that he has been guilty of any reprehensible action. That is what will have to be investigated."

Discussions

The Government's conclusion about the official referred to by Mr. Carl Kotchian, president of Lockheed, before the Senate sub-committee on multi-national corporations on Friday was also based on "further information obtained" as well as on "discussion with the Prince."

Premier den Uyl said the matter would have to be investigated as thoroughly and as quickly as possible, something Prince Bernhard was also entitled to. "Nobody may be declared guilty before the evidence has been delivered. That applies also to every citizen, also to Prince Bernhard."

The Prime Minister said the Cabinet would be meeting again to-morrow to discuss the setting up of a commission of inquiry. Parliament would be informed of the decision to-morrow or Tuesday at the latest.

He would give no further details of the matter. "The investigation will not be easy, but we will have to have answers as soon as possible in view of the obvious and important circumstances involved.

The reports from Washington have struck the country like a bombshell and in The Hague to-night the first reactions started coming in from the various political parties.

Dr. Jan Terlouw, Parliamentary leader of the Left-wing Government party, D-66, called for a Parliamentary inquiry into all recent Dutch aircraft deals, while the small Christian Democratic Opposition Party, CHU, said all dealings between Dutch business and companies prosecuted for bribery activities should be forbidden.

The largest Opposition party, the Liberal VVD, urged great caution in the proceedings, particularly as the Prince has denied receiving payment and the fact that the statements have been made by people involved in the affair.

One well-informed political observer said to-night that if the Prince were found guilty of any malpractice in the Lockheed affair, it could precipitate a constitutional crisis in the Netherlands.

Members of the Royal Family can be asked to give evidence in court, but only after a Royal declaration, signed by the Queen, grants permission. A member of the Royal Family can also be prosecuted.

The Prince, who is officially the Inspector General of the Dutch armed forces, has also had—and still has—excellent relations in the domestic aircraft and airline business. He has been a member of the extraordinary supervisory Board of KLM Royal Dutch airlines since 1964 and often attends its meetings. The Prince is also a supervisory Board member of Fokker, the Dutch aircraft company which is now jointly German-owned, and in which the U.S. Northrop aircraft company has a financial interest.

FEATURES

ON OTHER PAGES

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LOMBARD

The Fund's star starts to set

BY C. GORDON TETHER

WHERE does the International Monetary Fund now stand in the light of the decisions affecting its future taken at the recent series of international monetary meetings and more particularly that which will entrust to that up-and-coming financial institution—the Bank for International Settlements—the task of disposing of its gold.

This is a question that has come in for a good deal of discussion during the past few weeks in financial circles. And there seems to be more or less general agreement that the answer must be that it has suffered a significant decline in its standing in the world financial firmament—and one that may well prove irreversible.

The Fund came into being, of course, to supervise the operation of the brave new world currency system worked out at the Bretton Woods conference in 1944. This set it two main tasks. One was to fulfil the functions of referee and policeman in relation to the enforcement of the restrictions the new system imposed on member countries' freedom to vary their exchange rates. The other was to act as a source of temporary finance for members whose ability to go on fulfilling their obligations regarding the preservation of stable exchange rates was being jeopardised by balance of payments embarrassments.

A great blow

The linchpin of the Bretton Woods system was a fixed parities system, with provision for free convertibility of unwanted surpluses of other countries' currencies into gold. So the Fund's disciplinary functions were inevitably dealt a considerable blow by the suspension of dollar convertibility in 1971 and the subsequent world-wide change-over to floating rates of exchange. Its role as a smoother-out of payments disequilibrium was not seriously impaired, however, as can be gauged from the fact that the amount of help given to members has been running at near-record levels during the past year or two.

By giving permanent effect to the abandonment of the gold-dollar convertibility system, the latest international monetary conferences have driven another nail into the coffin of the Fund's disciplinary function. Theoretically, the Fund's own creation—the Special Drawing Right—takes gold's place. But nobody takes this usurper very seriously. And in any case, the Fund can only resume a meaningful role in this field if there is some formal restoration of restrictions on fluctuations in exchange rates.

The understanding that has been reached on official intervention to inhibit changes in currency relationships that are not justified by basic economic considerations will be implemented by central banks—probably making considerable use of the Bank for International Settlements for the necessary operational collaboration. So it will leave the IMF out in the cold.

The implication is that the Fund has now been more or less totally converted into an aid-giving organisation. And this is, indeed, underlined by the fact that another consequence of the latest agreements will be to put it in a position to make money available on a more generous scale to members in balance of payments difficulties.

Nor does that mark the limit of the damage its standing in the family of international financial organisations has suffered at the hands of recent developments. For a start, the very fact that it has agreed to go along with procedures for the liquidation of its gold holding that are of extremely dubious legality has obviously not been good for its image.

New style

But what has weighed even more heavily with close observers of the international monetary scene is the fact that the arrangements for the disposal of its gold stock are destined materially to strengthen the part played by the Bank for International Settlements in the ordering of the world's monetary affairs.

The point is that the BIS will effectively be laying the foundations for a new gold-currency convertibility system. For, whatever the anti-gold lobby may like to pretend, the reality is that, the front door of the international liquidity edifice having been nailed to the frame to make gold's exclusion complete, the metal has quietly crept in through the back one. And given the certainty that the world will be standing increasingly in need of stable alternative to the fast-depreciating paper money it is now having to make do with, it can be taken for granted that this is only the beginning.

Having been given the task of handling the new-style official traffic in gold, the BIS will be closely involved in this new turn in world monetary affairs from the start, whereas the IMF will be left out. And this can be seen to be the more significant when one remembers that, in developing its new role, it will not have the U.S. Treasury breathing down its neck—which has always been the lot of the IMF. For the BIS is dominated by European central bankers. And they do not all share America's enthusiasms for treating gold like the plague.

THE WEEK IN THE COURTS

Claims that must receive a brush-off

BY JUSTINIAN

NOT infrequently a trader intentionally or unintentionally represents to the consumer public that his goods or business are those of somebody with whom he is in competition. Apart from the right to copyright, patent or trade mark, the law provides the injured trader with the remedy of a passing-off action. A reminder of how the passing-off action assists to prevent unfair competition is provided by a recent Privy Council decision in *Star Industrial Co. Ltd. v. Yap Kwee Kor, trading as New Star Industrial Co.*, a case from the courts in Singapore.

Remedy

A passing-off action is a remedy for the invasion of a right of property not in the improper use of the mark, name or get-up of the product but in the business or goodwill likely to be injured by the misrepresentation made by passing-off one person's goods as those of another. Goodwill, as the subject of proprietary rights, is incapable of subsisting on its own. It has no independent existence apart from the business to which it is attached. It is local in character and divisible; if the business is carried out in several countries a separate goodwill attaches to it in each. When, therefore, a business is abandoned in one country where goodwill has been acquired, the goodwill in that country perishes with it, although the business may continue to be carried on in another country.

For some years a Hong Kong company had been manufacturing plastic toothbrushes packed for sale in boxes with a characteristic get-up, of which a prominent feature were the words "Ace Brand" and the device of a capital A enclosed in a red circle, known as the "Red A." In 1965 the Government of Singapore imposed an import duty on toothbrushes. This brought to an end that part of the Hong Kong company's business consisting of manufacturing toothbrushes for export to Singapore, either for sale there or for re-export to other countries.

In 1968 a trader who had been manufacturing toothbrushes in Singapore since 1966 changed his business name to New Star Industrial Company. He adopted for his products a get-up substantially indistinguishable from that formerly used by the Hong Kong company (instead of "Ace Brand" he used the words Age Brand). It was an irresistible inference that the Singapore merchant considered that the reputation of the Hong Kong company's products retained sufficient value in 1968 for him to capitalise on the goodwill. In 1971 the Hong Kong company woke up to what was being done and started in the Singapore courts a passing-off action only. The fact that the Hong Kong company was no longer carrying on business in Singapore; that it had not, since the imposition of the import duty in 1965, manufactured any toothbrushes for export to Singapore and that it had no intention of resuming this part of its business was fatal to its claim. The goodwill had ceased with the cessation of the business, and, whatever the ethics of the Singapore merchant's tactics, the law decrees that any unfairness must go unremedied.

Rights

The prime interest in the Privy Council case, however, was an attempt to persuade the courts to develop the law of passing-off to protect the user of an unregistered mark or get-up, and confer proprietary rights similar to those conferred by statute on the registered proprietor of a registered trade mark. The proprietor of the registered trade mark has two important rights: (1) he can permit the use of the trade mark by another person ("the registered user") where he, the owner, maintains a sufficient degree of control over the permitted use; and (2) he may assign the trade mark otherwise than in connection with the goodwill of a business. These are rights that Parliament has given. (The Statute law in Singapore corresponds to the U.K. legislation). And it was Parliament's intention to confine these novel statutory rights to registered trade marks. Everything in the legislation pointed to the fact that unregistered trade marks were not to be so favoured. Hence the Privy Council felt unable to extend the common law so as to give unregistered trade mark owners the same rights as those of the registered owner.

* * *

ARBITRATORS in the City of London will prick up their ears at the pronouncements of the Court of Appeal on the powers of the High Court when dealing with questions of law stated by an arbitrator for the court's decision. It has long been assumed that on the hearing of a special case a judge of the High Court was not entitled to alter the questions of law stated by the arbitrator for the court's decision. In *Ismail v. Polish Ocean Lines** Lord Denning said that the parties to the arbitration should not be tied hard and fast to the precise way in which such questions were formulated by the arbitrator and Lord Justice Ormrod said that if questions were formulated in a limited or restrictive manner the court should not allow itself to be rigidly confined to such questions; it should adopt a broad and realistic approach to the legal problems arising from the findings of fact made by the arbitrator and expressed in the special case.

Control

All this is further indication that the High Court is seeking to exercise wider control over arbitrations. It is a trend that has been resisted by the commercial world, which has always seen the arbitral process as a substitute for, and not as an adjunct to, litigation in the courts. The more the courts intervene, the more disappointed parties to arbitration proceedings will use the courts of law as a means of supplementing the arbitral process. It is an issue that provides acute controversy.

**Times Law Report, February 4, 1976.*

SNOW REPORTS

	Depth (cms.) L	Depth (cms.) U	State of Piste	Weather	°C
Andermatt	35	135	Good	Fine	2
Flaine	50	150	Good	Fine	1
Lermoos	20	80	Fair	Fine	7
Murren	60	130	Fair	Fair	1
St. Anton	55	250	Good	Fine	−2
Verbier	30	90	Fair	Fine	7
Tignes	40	90	Fair	Fine	1

In the above reports, supplied by representatives of the Ski Club of Great Britain, L refers to lower slopes and U to upper slopes.

NORWAY

Bergen 1, Sunny. Voss −3, Sunny. 40 inches, soft. Geilo −6, sunny, 20 inches, soft.

SCOTLAND

Cairngorm: Main runs and lower slopes, all runs complete, wet snow. Vertical runs 1,600 feet. Access roads clear. Snow level 2,000 feet. Glenshee and Glencoe: No report.

RUGBY

BY STUART

Wales set for grand slam after victory over Scots

WALES look set for a grand slam season after their commanding 28-6 win over Scotland at Cardiff Arms Park.

They took the Scottish on at their own game in this hard and occasionally bitterly fought match, which never really rose to the heights but included moments of superb skill and fearsome power.

There was also considerable niggle, particularly between the two packs, and throughout the game tempers were frayed as punching and kicking went unchecked by referee Dr. Andre Cluny.

Apart from an early attempt to clamp down on one or two offenders he gradually lost control, produced some odd decisions and made things worse later on as he hobbled around the field out of touch with the play, but ignoring advice to hand over and go off.

Under the circumstances, it was remarkable that the game did not degenerate further.

Although the high Welsh score suggests an exciting performance, there were periods of aimless play and all three of their tries came more out of opportunism than flowing build-up.

However, one should add that the dummy sold by scrum-half Gareth Edwards to Steele and Morgan was gloriously cheeky and Trevor Evans' loop round to take a pass from J. P. R. Williams and stride over to score was just reward for his constant speedy appearance at the breakdown.

But if no one was playing a star role in the Welsh side, the outstanding feature of their game was team work.

At all times they were committed to each other, covered each other, helped each other.

The Welsh rucking and mauling was faster, harder and more successful.

In the centre, if one player is to be singled out, the devastating tackling and juggernaut running of Steve Fenwick was outstanding.

The qualities of the star Welsh players are well known and were ably displayed, if at times they are now taken for granted.

But on a day when both packs were adept at killing the ball, it was only to be expected that there would be an attritional quality to the war.

And this was where the more characterful Welsh side was to win. The supply of good ball the Scottish pack was able to give Morgan was pitiful in comparison with the service given to Edwards.

Kicked well

Much of Scotland's line-out ball was tapped to the ground, and at the set scrum the ball was squirting out of the tunnel so quickly that Morgan barely had chance to sprint round and feed.

McGeechan, who had been moved from centre to stand-off, is a very good player and kicked well, but he had some unhappy moments, including a nasty knock to the head in the second half.

The Scottish rhythm was also upset by injury in the first 20 minutes, when Carmichael went off with a head injury, and Mike Biggar left the field similarly hurt for the final seven minutes.

Where Scotland failed was to find any penetration at centre.

Irvine, who did some good things and some bad, showed flashes of strong running from full-back; but the Scottish, as so often happens, was in fits and starts.

They did manage to score a try just on the quarter-hour. It was noteworthy not just because it was somewhat because it involved a quarter movement wing—except that a rather different should be in the line.

The feed from the made by the hooker, final pass was made by the ubiquitous McHarg, scorer on the wing back, Irvine.

Morgan converted touchline and a bad tween Irvine and Steele allowed J. J. Williams down a fumbled ball minute was retrieved.

From then on, Wales most of the superiority ritorial advantage. 12-6 up at half-time, been more, and lentlessly to add points without reply second half.

Now they face Ireland Lansdowne Road, a ground has been a bit of a them. It is, however, that the Irish will be stop the heavy machine coach John Dawes has fully constructed from the triple crown.

They can then look to the grand slam finale France two weeks later their home ground at Arms

Scorers: Wales—J. J. T. P. Evans, G. O. (tries); P. Bennett ties, two conversions; Fenwick (drop goal). A. R. Irvine (try); D. W. (conversion).

Ireland's players lack fire

BY PETER ROBBINS

IRELAND'S persistent refusal—or perhaps inability—to bring along young players bore its full and sorry fruit in Paris on Saturday when France beat them comfortably 26-3.

Yet if Ireland had had a good kicker, they could have led at half-time, so frequently did France flount the laws, especially Bastiat.

The game, in perfect conditions, never achieved a really high standard and all the excitement came from the French in the second half.

Finally, Ireland were totally demoralised and apart from the occasional brave sortie by Ensor they had no idea whatsoever.

Their scrummaging was more than adequate without ever taming the young French front row.

Duggan often prevented the French long throw but it was the collective immobility of the Irish forwards that swung the game France's way.

The Irish back row of McKinney, Duggan and Deering covered well close in, but then were lacking when France expanded.

The Irish forwards could not take the game to France at speed and were left shovelling the ball back to a three-quarter line that had neither pace nor penetration, except when Ensor appeared. The circle was viciously futile.

Robbie made the best of things at scrum-half and Gibson and McIlrath had their share of possession but ran up against the impassable French centres.

France had the advantage from the start as Romeu made Ensor chase back and across. The French strength is in its front and back rows.

Paco, the hooker, was once a fly-half and he was everywhere in the loose, followed quickly by Cholley and Paparemborde, all three committing the Irish backs to the tackle.

The ability of this front row to absorb the punishing scrums and still support was vital. More so was the devastating running, tackling and imperturbable support from the flanks. Rives.

Rives even surpassed formance against a non-stop performance.

Skrela, less spectacular, ruthless in his tackling, ran with such urgency ball was won as tackled.

Bastiat had his usefulness in the line-out.

France's weakness second row, where missed, and then at fly-half, where Romeu kicked away a lot of

France led at half-time converted try from

Cholley, the prop, quickly after the Romeu made it Robbie succeeded with a

Tries by Fouroux and and a penalty and conversion Bastiat gave France a deserved victory.

They will certainly raise their game at Cardiff month in what looks like the championship decider.

SOCCER

BY TREVOR BAIL

Spurs, Hammers head nowhe

THE 1—1 draw at White Hart Lane, where Tottenham Hotspur met West Ham, was probably the most satisfactory result.

It was not that either side deserved to lose, but neither played well enough to warrant victory. Both goals stemmed from bad passes by the opposition.

There was plenty of effort, but little else, and it was easy to understand why these two clubs are going nowhere in particular this season.

Although still in the UEFA Cup, they are unlikely on this showing to progress much further.

With Coates causing numerous problems down the left flank, Spurs had much the best of the early exchanges. They were unable to beat Day, however, who brilliantly saved a header from the lively Duncan.

After the interval, the standard deteriorated further. Players from both teams made an unusually high number of elementary mistakes.

Spurs eventually took the lead when the busy, bustling Coates centred perfectly for Duncan to head the ball home.

This should have settled the issue, but the home side unaccountably relaxed.

It came as no surprise when the elegant Brooking scored after Billy Jennings' shot had only parried out, following of the few flowing moves game.

Spurs, who appeared for relegation at should have no further on that score.

They have tightened back and Duncan into an impressive forward.

But their midfield man, Coates and Pratt, hard working, lacks imagination.

The Hammers require thrust up front if they capitalise on the creative of Brooking and Paddon they also miss the drive of

RACING

BY DOMINIC WIGA

Grand Canyon falls down

MUCH OF THE interest in Saturday's SKF Hurdle for Future Champions at Stratford went at the third flight when the odds-on Grand Canyon clipped the top of the hurdle and came down heavily.

If this heavy fall does not affect his confidence, I feel reasonably sure that Grand Canyon, who is only a six-year-old, will quickly return to winning form.

LEICESTER
1.30—Georgie Stephens
2.00—Village Thief**
2.30—Saint Spiridon
3.00—The Norseman
3.30—Tinker Boy
4.00—Havanus***

PLUMPTON
1.45—Beholden
2.45—Fell Swoop
4.15—Fair Tactics*

The Duchess of Devonshire, speaking on behalf of her husband, who was in Ireland, said no definite plans had been made for their winner, The Dunce, who held on gamely to beat the fast-finishing Beacon Light.

Turning to to-day's racing at Leicester and Plumpton, the most interesting sport is on the Midlands track, where Derek Kent saddles three—*Tinker Boy*, Cheapside and Romany Jack.

The first-named, another of Kent's New Zealand-bred geldings, could be good enough to take the two-mile Uppingham Chase (3.30), but I cannot see either Cheapside or Romany Jack obliging.

Cheapside will probably find *Village Thief* and Current Gold too fast for him in the Leicester Hurdle (2.0).

Romany Jack cannot be expected to deal with the in-form *Saint Spiridon*, from whom he receives only 2lbs in the Chase.

In the nine-runner Novices Hurdle (4.0), ley's topweight, be opposed. He is a safe

WINTER OLYMPICS

Curry goes for gol

Britain's John Curry, European champion and favourite for the Olympic gold medal in the Innsbruck men's figure skating competition, was in second place to world champion Sergei Volkov of the Soviet Union after yesterday's compulsory figures.

Volkov and Curry were lying third and fourth after two of the three figures, but produced fine performances in the forward paragraph loop to move up the standings.

The Soviet skater had 44.76 points and 19.5 placements, Curry 44.96 points and 21.5 placements. Volkov led on the basis of superior overall placements from the judges, but the figures, which count for 30 per cent. of the overall marks total, were considered good for Curry, who is a far better free skater than Volkov.

The short programme of compulsory moves will be held to-day, the free skating—which accounts for 50 per cent. of the marks—on Wednesday night.

Russia's Vladimir Kovalev was in third place with 44.16 points and 27 placements, with man of East Germany Sante of the U.S. fourth.

The women's downhill medal went to West Germany's Rosi Mittermaier. She race favourite Brigitte of Austria into second 52 hundredths of a second ning in a record 46.16 seconds over the Hoadl course.

Miss Mittermaier said ably won in the difficult halfway down where perfect line. Britain's Iliffe finished 29th in

Soviet speed skater Averina became the Games double champion, women's 3,000 metres to the 1,000 metres on Saturday. Second German schoolgirl Andrea schert.

At Seefeld, Nikolai took the Soviet Union gold haul so far to seven the 15 kilometres cross ski race. The East Germans won four golds.

TV/Radio

† Indicates programme in black and white.

BBC 1

7.30 a.m. Open University. 9.38 For Schools, Colleges. 10.45 You and Me. 11.00 For Schools, Colleges. 12.45 p.m. News. 1.00 To-day at the Winter Olympics. 1.45 Mr. Benn. 2.01 For Schools, Colleges. 3.20 Under Bow Bells. 3.58 Regional News (except London). 4.00 Play School. 4.25 Roobarb. 4.30 Jackanory. 4.45 Blue Peter. 5.10 John Craven's Newsround. 5.15 Jumbo Spencer. 5.40 Ivor the Engine.

5.45 News.
6.00 Nationwide.
6.45 Olympic Grandstand.
7.20 Z Cars.
8.10 Panorama.
9.00 News.
9.25 Olympic Grandstand.
10.25 Monday Film: "All Neat In Black Stockings."
12.00 Regional News.

All regions as BBC 1 except at the following times:

Wales—1.45-2.00 p.m. Pili Pala. 2.18-2.38 For Schools: Let's Look At Wales. 6.00-6.22 Wales To-day. 6.22-6.45 Heddiw. 12.00 News and Weather for Wales.

Scotland—11.00-11.20 a.m. For Schools: Around Scotland. 6.00-6.45 p.m. Reporting Scotland. 10.25-10.55 Public Account. 10.55-12.30 a.m. The Monday Film: "All Neat In Black Stockings." 12.30 a.m. Scottish News Summary.

Northern Ireland—3.58-4.00 p.m. Northern Ireland News. 6.00-6.45 Scene Around Six. 12.00 Northern Ireland News Headlines.

England—6.00-6.45 p.m. Look North (from Leeds, Manchester, Newcastle); Midlands To-day (from Birmingham); Look East (from Norwich); Points West (from Bristol); South To-day (from Southampton); Spotlight South West (from Plymouth).

BBC 2

6.40 a.m. Open University.
11.00 Play School.
3.30 p.m. The Caterers.
4.00 State of Play—Pre-School Education Now.
5.25 Open University.
7.05 The Do-It-Yourself Film Animation Show.
7.29 Weather.
7.30 Newsday.
8.10 The Waltons.
9.00 Cakes and Ale by W. Somerset Maugham.
9.50 Horizon.
10.45 Diversions from Scotland.
11.20 Newsnight.
11.35 Closedown: Joy Parker reads "By St. Thomas Water," by Charles Causley.

LONDON

9.30 a.m. Schools Programmes. 12.00 Issi Noho. 12.10 p.m. Pipkins. 12.30 Kitchen Garden. 1.00 First Report: News, FT index. 1.20 Lunchtime To-day. 1.30 Emmerdale Farm. 2.00 Good Afternoon. 2.30 "The Death Of Me Yet," starring Doug McClure. 3.35 General Hospital. 4.25 Clapperboard. 4.50 Rogue's Rock. 5.20 Batman.

5.50 News from ITN.
6.00 To-day.
6.45 Opportunity Knocks!
7.30 Coronation Street.
8.00 World In Action.
9.00 Police Story.
10.00 News.
10.30 Looks Familiar.
11.00 Take Two.
12.00 Problems.

All ITV regions as London except at the following times:

ANGLIA

Flat." starring Anne Baxter. 4.25 The Romper Room. 5.20 Indoor League Championship of Champions. 6.00 About Anglia. 9.00 Police Woman. 10.30 Monday Late Film: "The Last Wagon," starring Richard Widmark. 12.15 a.m. Anthology.

ATV MIDLANDS

12.30 p.m. ATV Today Pick of the Week. 1.20 ATV Newsdesk. 2.30 "Her Jungle Love" starring Dorothy Lamour and Ray Milland. 6.00 ATV Today. 9.00 Police Woman. 10.30 Platform For Today. 11.15 Wait Till Your Father Gets Home. 11.45 Morris Stuart

BORDER

12.30 p.m. Time to Work. †1.20 Border News. 2.00 Housecall. †2.30 Monday Matinee: "Sally's Irish Rogue" starring Julie Harris. 5.20 The Adventures of Black Beauty. 6.00 Border News and Lookaround. 6.15 Survival. 9.00 Police Woman. 11.00 Monday Night Film: "Gorilla at Large" starring Cameron Mitchell and Anne Bancroft. †12.30 Border News Summary.

CHANNEL

1.20 p.m. Channel Lunchtime News and What's On Where. 2.00 The Monday Matinee: "Apartment for Peggy." 5.20 Indoor League. 6.00 Channel News. 6.10 Speak Out. 10.30 Westcountry Fare. 11.00 Branded. 11.30 Channel Gazette followed by News and Weather in French.

GRAMPIAN

12.30 p.m. Time to Work. 1.20 Grampian News Headlines. †2.30 Monday Matinee: "I'll Be Seeing You" starring Ginger Rogers and Joseph Cotten. 5.20 The Mary Tyler Moore Show. 6.00 Grampian Today. 6.10 Top Team. 9.00 Police Woman. 10.35 Living and Growing for Adults. 11.10 The Persuaders. 12.05 a.m. Evening Prayers.

GRANADA

12.30 p.m. The Galloping Gourmet. 1.20 This Is Your Right. 2.30 Monday Matinee: "Orders are Orders" starring Peter Sellers. 5.20 Indoor League Championship of Champions. 6.00 Granada Reports. 6.15 A House for the Future. 9.00 Police Woman. 10.30 Appointment With Fear: "The Devil's Daughter" starring Joseph Cotten.

HTV

Service except: 1.20-1.25 p.m. Penawdau Newyddion Y Dydd. 2.00-2.30 Hamdden. 6.01-6.22 Y Dydd. 8.00-9.00 Yr Wythnos.

HTV West—As HTV General Service except: 1.20-1.30 p.m. Report West Headlines. 6.22-6.45 Report West.

SCOTTISH

12.30 p.m. Time to Work. †1.25 Road and Weather Report. 2.00 Housecall. 2.30 Monday Matinee: "The Wild Heart" starring Jennifer Jones. 5.20 Indoor League Championship of Champions. 6.00 Scotland Today. 6.35 Crimedesk. 9.00 Police Woman. 10.30 Monday Briefing. 11.00 Late Call. 11.05 Look-Up.

SOUTHERN

12.30 p.m. Here Comes the Future. 1.20 Southern News. 2.00 Houseparty. 2.30 The Monday Matinee: "Edge Of Eternity" starring Cornel Wilde. 6.00 Day by Day. 9.00 Police Woman. 10.30 Indoor League Championship of Champions. 11.00 Southern News Extra. 11.10 Chopper One. 11.40 Guideline. 11.45 Farm Progress.

TYNE TEES

9.25 a.m. Starting Point. 12.30 p.m. Bygones. 1.20 Lunchtime News and Lookaround. 1.30 The Mary Tyler Moore Show. 2.00 House Call. 2.30 Inner Space. 2.55 The Inheritors. 5.20 Emmerdale Farm. 6.00 Today At Six. 6.35 Police Call. 9.00 Police Woman. 10.30 Kung Fu. 11.30 Epilogue.

ULSTER

12.30 p.m. The Galloping Gourmet. 1.20 Ulster News Headlines followed by Lunchtime. 2.00 Women Only. †2.30 Monday Matinee: "My Friend Irma Goes West," starring Dean Martin and Jerry Lewis. 4.23 Ulster News Headlines. 5.20 Survival. 6.00 UTV Reports. 9.00 The Collaborators. 10.30 Monday Night with the Rev. David Burke, Hamilton Road Presbyterian Church, Bangor. 10.40 Spectrum. 11.10 Chopper One.

WESTWARD

12.25 p.m. Gus Honeybun's Birthdays. 12.30 Time To Work. 1.20 Westward News Headlines. 2.00 The Monday Matinee: "Assault on the Wayne," starring Joseph Cotten. 5.20 Indoor League Championship of Champions. 6.00 Westward Diary. 6.20 Sports Desk. 9.00 Police Story. 10.30 Westcountry Fare. 11.00 Westward Late News.

YORKSHIRE

RADIO 1

RADIO 2

RADIO 3

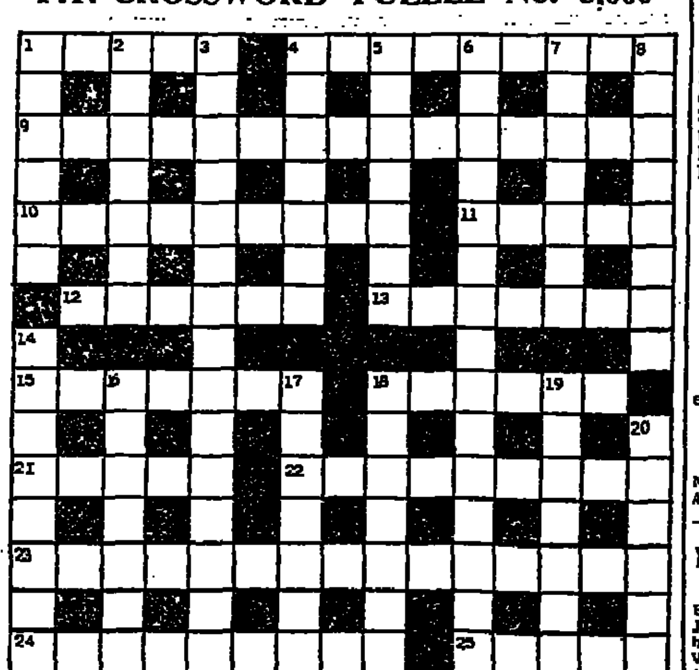
RADIO 4

BBC Radio London

London Broadcasting

Capital Radio

F.T. CROSSWORD PUZZLE No. 3,000



ACROSS
1 Cancel a wash (5)
4 Comes into sight again to gather fruit (9)
9 Stops the action like a very large suit-case (5, 10)
10 Offers instrumental preludes (9)
11 Charge for the best part (5)
12 Wish to put gentleman in river (6)
13 A citizen under obligation (7)
15 The audible distance and the sensation resulting if the talk is personal (7)
18 Join up and listen but not in that order (6)
21 Sick in state house (5)
22 Old fashioned—it could be a stone (3, 2, 4)
23 Altering garments or redressing? (8, 7)
24 Part of old weapon used in van (9)
25 A hot drink to clergyman and youth leader (5)

DOWN
1 Train a lot of fish (6)
2 Substitute for cure (7)
3 Wasting the breed could be perilous (5, 4, 6)
4 Back up the opposite side (7)
5 Stops and takes prisoner (7)
6 Bluster and look big and accommodate a courageous figurehead (3, 2, 1, 4, 5)
7 A sin in the east could be foolish (7)
8 Advises unusual gussets round top of garment (8)
14 Military ceremonies? (8)
16 Let loose and let again (7)
17 Move briskly and beat severely (7)
18 Tempted to be unusually decent about one (7)
19 Castigated Tom in shed (7)
20 Spotted being paltry (6)

The solution of last Saturday's prize puzzle will be published with names of winners next Saturday.

ce opera

Petrassi, Stravinsky, Weill

by WILLIAM WEAVER

recent Saturday the Comunale gave us its atic presentation of the a ballet evening, some er, concluded the two-ason). It was a triple contemporary—though ent—works, all safe Stravinsky, Petrassi. of the three pieces per- Petrassi's *Il condovano* arity. It was composed 1944 and 1948, first at La Scala at the the '48-'49 season. been revived here e since, but can hardly o have found a place in tory, even in Italy. i's first essay at opera ond and last. *La morte* came in 1950), *Il cor-dovano* suffers most of all from the mismating of text and music. The libretto is based on an "entremese" of Cervantes, translated by Montale: Spanish buffoonery à la *Three-cornered hat* or *L'heure espagnole*. But the simple-minded fun is ill-suited to Petrassi's rarefied, austere style; and the joke goes on far too long. Privately, Petrassi has a sense of humour, indicated also in his witty settings of some Edward Lear limericks; but in this opera that wit is not evident, and intelligence — in this case — is no substitute. There was some good singing from a cast headed by Margherita Rinaldi. Ulisse Santicchi designed simple, useful sets and handsome costumes. Giulio Chazalettes produced briskly. Nevertheless, the performance was more interesting than engaging.

I know how popular Stravinsky's *Mavra* is, and how much admired; but I may as well be frank and admit that, to me, it has always been a bore (mercifully brief). This Florence production — like the other two works on the programme, a local première — was spirited and acute. The producer, Gian Pietro Calasso, decided to turn the characters into marionettes, who jerked about the stage held up by invisible strings. It was a good idea, and it worked, adding a dimension to the flat story. Sandro La Ferla designed a colourful outsized marionette theatre and suitable costumes. The cast could not have been better, including Gabriella Ravazzi as Parasha, Lajos Kozma as the Hussar (*Mavra*), and the irrepressible veteran Fedora Barbieri as the Mother.

Both these operas were conducted by Pier Luigi Urbini, carefully, but without much excitement. His lack of incisiveness was more evident, and more deleterious, in the final work of the evening, the Brecht-Weill *Seven deadly sins*. There was no bite in the orchestra, and bland Weill is dull Weill. As Anna I, the pop singer Iva Zanicchi seemed out of place. Singing her own songs, she can be effective and appealing: she is also handsome, and she moves well. But she, too, lacked that Brechtian anger. Inevitably, she has to be compared with another pop singer, the panther-like Milva, who, trained by Giorgio Strehler, has become a Brecht specialist, and is very good. Zanicchi was — fatal adjective — sweet, by comparison. Marga Nativo danced the role of Anna II with grace; and the quartet of home-folks was well cast. Linda Chittaro designed a jazzy, blood-red 1930s night-club (or speakeasy) as the basic set, complemented by Goldwyn-like costumes.

Iva Zanicchi and Marga Nativo

Elizabeth Hall

John Ogdon

by DAVID MURRAY

Leotaurus, a new piece by Gerard Schürmann, formed the centrepiece of John Ogdon's piano recital last Thursday. It is a set of variations on a fairly neutral theme extracted from his Piano Concerto; manifestly well made, cautiously exploratory, the sequence keeps closely to traditional notions of what the form prescribes. The piano writing sounds grateful, though elaborate enough not to waste a virtuoso's time. Mr. Ogdon attacked it with devoted sympathy, and a tonal palette easily rich enough to keep the textures lucid and interesting. The title of the work signifies not a mythological beast, but two astrological ones: the sign-symbols of composer and pianist, perhaps? We were not told.

Ogdon's stars must in any case be in extraordinary disarray. Having chosen a programme as leonine as could be imagined—Beethoven's op. 109 as *hors d'oeuvre*, then all twelve études of Chopin's op. 25, and after the Schürmann six of Liszt's *Transcendental Etudes* and Book I of Brahms' *Paganini Variations*—he set about it with the impersonal destructiveness of the proverbial bull in a china shop. He did it without apparent malice; indeed, he gave no sign of any feelings about the music at all, apart from the Schürmann piece. Most of it was treated to a steady, battering forte, yanked along over the bar-lines without benefit of phrasing, rudely bumped wherever Ogdon found it inconvenient to maintain the rhythmic flow. The first movement of the Beethoven sonata actually began rather beautifully, but it settled at once into the heedless jogging which was eventually to shake it to pieces. Its nadir was perhaps the scherzo, a clumsy scramble, though a case could be made for some nasty patches in the final fugue.

Here and there in the Liszt studies Ogdon displayed a flicker of interest, though never for long enough to establish a character for any single piece. It may be that he does not think of them as single pieces: he began some of them before the last bar of their predecessors has ended, as he did more or less throughout the Chopin set. No breath of Romantic feeling informed even the most delicately evocative of the Liszt works, and the most abstractly musical of them—the F minor study—became a strangulated stutter. The Chopin studies were in general brutal, peremptory and inept: the pizzicato bass notes of the first A minor étude, where audible, were often wrong, and the famous runs in thirds in the G-sharp minor one were wildly approximate.

As for the Brahms *Variations*, they had their resilient moments — but perhaps it's only that I cannot love that work, or perhaps by then I was too stunned to take further offence. All in all, it seemed an odd way for a once admirable pianist to carry on. If he only does it for the money, he ought to consider whether such performances do not pay diminishing returns.

Royal Court

Treats

by B. A. YOUNG

What happens to the permissive generation when they age towards maturity? They move —and how exactly Christopher Hampton has depicted it — into loose quasi-marital relationships in flats on short leases. They drink instant coffee and tea from expensive earthenware mugs; they instal elaborate hi-fi systems; their furniture is a mixture of rubbish and costly items like Eames chairs. Bookshelves are filled with paperbacks and records. The white telephone is on a 12-foot cord so that it may be carried about the room. It is all here in Andrew Sanders' set.

Of the three characters playing a poor man's *Design for Living* in this set-up, Ann (Jane Asher) is living with Patrick (Stephen Moore) when the play begins, but it is only a few weeks since she was living, in the same flat, with Dave (James Bolam). Dave is a successful journalist, so Mr. Hampton can give him a fair amount of spending money, a roving disposition and a useful command of words. He was with Ann, bullying her and deceiving her (42 women at his last count) until one day, when he was away covering a story in Cyprus, she threw out his belongings, changed the lock on her door and gave the new latchkey to Patrick, till then distinguished only by his reputation as the office bore.

Ann is not a decisive girl, but she needs a rest. Patrick might have given her one, for he is the wobbliest character imaginable. Ann accuses him of taking 45 minutes making up his mind which shoes to wear; Dave says he looks like someone who has just stepped into an empty lift shaft. It is more or less inevitable that when Dave makes his way back into the flat he will resume proprietorship.

The varying progress of this threefold relationship forms the whole matter of the play. It is not very much if you consider it as a plot: it might have come to a valid end at almost any time in the evening, or it might go on for another 20 years after the final curtain. What gives it a theatrical magnetism that held my attention fast is the subtlety of the characterisation matched with dialogue of an agreeably sub-epigrammatic quality.

Such mettle calls for light acting of the highest class; and in Jane Asher, Stephen Moore and James Bolam the director, Robert Kidd, has found it to perfection. The open-mouthed vacuity of Mr. Moore's face as Patrick, the helpless flapping of his hands as he tries to illustrate his point, his certainty to give way to a mistaken kindness at the most unfavourable time — these are details of a performance that is as good as I have seen from this actor and I have seen him give many fine performances. On the other side of the balance-sheet James Bolam as Dave presents a man who never speaks a word or makes a move that is not to his immediate advantage. He has the best lines, too, such as the marvellous assembly of clichés he pours out before, quite irrelevantly, proposing marriage.

In the middle, Jane Asher, cool as a baked alaska, divides her boredom and her cross outbursts between the two men. Her face when Patrick, trying to make a come-back after being thrown out, begins to tell her what he believes will be the state of society in a hundred years' time, is something I hope never to see on any girl's face that I am with.

Festival Hall

Hungarian evening

by DOMINIC GILL

The centrepiece of the BBC's "Hungarian evening" on Radio 3 last Friday was a concert of Hungarian music given by the BBC Symphony Orchestra under Pierre Boulez, broadcast from the Festival Hall, and also relayed live on Hungarian Radio. I went along chiefly out of curiosity to hear the two more recent works in the programme, *Iris* by Sándor Balassa, and (for all that he vigorously denies the title of "Hungarian composer") Ligeti's new *San Francisco Polyphony*. But as it turned out, it was the performance of Bartok's *Bluebeard's Castle* which entirely dominated the evening: a magical, memorable performance which I would not have missed for the world.

It is difficult to remember hearing the BBC Symphony Orchestra ever play so well. Their performance had a quickness and a finesse, as well as a continuity and breadth, which they can probably achieve under no other conductor: every gesture a marvellous unanimity, every line precisely placed, each colour exactly mixed; crystal clarity of texture; rhythm and counterpoint cut with a knife edge—but a loving performance also, highly charged, deeply mysterious, shot through with all manner of changing lights and vanishing shadows. The two soloists, singing in Hungarian, were both impressive— Tatiana Troyanos for the wonderful purity and concentration of her tone and inflection, for her hollow, haunted chest-notes touched just enough (but never too heavily) with melodrama, for her vivid dramatic flights; Siegmund Nimsgern for the powerful restraint of his delivery, strong and sonorous, subtly coloured.

If there had not been a tape waiting for me at home, this *Bluebeard* might have buried memories entirely of the two short pieces in the concert's first half. I had heard Balassa's *Iris* before, on tape, two years ago in Budapest, and liked it: a pretty, imaginative score, elegantly put together, of no very powerful substance, but neat and unpretentious, a welcome change from the world of sub-Prokofiev, sub-Kodaly. I had remembered it also as more adventurous: at second hearing, the music seemed more tasteful than forceful, more careful than vividly inspired. But a good score all the same—and a hundred times more honest and invigorating than most of the patronising piffle presented to us lately by London orchestras in the guise of "something new."

Ligeti's *San Francisco Polyphony* made a similar effect: attractive, lightweight, graciously competent, quite without tough sinew, about 13 minutes long. Since *Melodien* five years ago, Ligeti has made greater play in his work with melody: in *Polyphony* little curls of solo song emerge to form their own conversation against the denser polyphonic writing and the more traditional Ligetian "background" textures. Of the many pleasing sonorities and combinations, I liked best one moment of rustling high harmonics, like distant, heavenly cicadas: very pretty.

Although there was no place made in the programme for the younger Hungarian generation, it was not forgotten entirely. Later the same evening, Radio 3 played a short recital of a pair of works by two composers from the Budapest New Music Studio, László Sáry and Zoltán Jeney. Jeney's Round for a piano, harp and harpsichord I liked especially—a delicate round of tonal permutations in free rhythm, quiet and clear: Sary's *Incanto* too had real character, a mysterious interweaving of sound-clusters for five voices, night-music in deep blue. (Both appear on a record of works by Sáry and Jeney, now available on Hungaroton SLPX 11589.)

Covent Garden

Twilight

by CLEMENT CRISP

The four ballets in Saturday night's programme at the Opera House—*Serenade*, *Afternoon of a Faun*, *Twilight*, *Elite Syncopations*—could hardly be more varied in manner and effect, yet each makes the same prime and searching demand upon its cast. Each asks for supremely musical dancing. Not just a "step for note" neatness that is aptly called "Mickey Mousing" because it recalls the mechanics of animated cartoons, but an awareness and a feeling for the shape of a danced phrase in relation to its score.

Happily, the Royal Ballet is a company more musical than most, thanks in part to the Ashton/MacMillan repertory which insists upon this quality, and it was a vivid pleasure on Saturday to see how the corps de ballet and soloists seemed to feed their interpretations upon the music. In the opening *Serenade* the corps are first seen immobile; then, after the initial statement of the basic academic positions, they launched into the flowing lines and patterns of Balanchine's dances. The Royal corps might have been a single protean ballerina, so harmonious in style and timing were their movements, and through them moved Georgina Parkinson, Merle Park and Monica Mason, borne along on the music, and admirable.

The middle of the programme contained those two contrasted views of the modern pas de deux, *Faun* and *Twilight*. The sensuous atmosphere established by the Debussy prelude was perfectly caught by Anthony Dowell, who conveys all the boy's physical self-absorption, but rather less so by Jennifer Penney. Her presentation of the girl is too consciously romantic, too aware of the emotional possibilities of the meeting, albeit her dancing with its lovely fluent line could not be bettered. Under-played, the nymph's role is far more effective. There is no sentiment in *Twilight* (new to the Covent Garden repertory), save the bitter and aggressive lyricism of two guerillas sniping at each other in this urban romance.

Because Lynn Seymour is indisposed with 'flu, Laura Connor joined battle with Wayne Eagling. Her, dancing, with its springy, muscular verve and sharp pulse in extension, is fine: the deliberate way in which she removed her shoes became a sensual provocation, a declaration of war in the battle of the sexes. Mr. Eagling I thought absolutely superb. His "contained" personality, the sheer beauty of his dancing—its richness of physical and temporal texture in a simple enchainement, the fast/slow, strong/weak contrasts—give his movements a compelling quality impossible to fault. Both artists place their interpretations firmly within the music—the Cage score well played by Anthony Twiner—so that van Manen's realisation of its sororities seems utterly right.

In *Elite Syncopations* the bright rhythms of the score inspire positively virtuosos response from the company. The electric speed of some sections, the eccentric decoration MacMillan has found for basic classic steps (exactly matched by the exuberant caprices with which Ian Spurling has fantasticated the basic leotard) make for the greatest fun: fun, clearly, to dance, and fun to watch. Merle Park's solo should be required study for anyone wanting to see music turned into movement—beautiful variety in dynamics, flicker-quick response to every nuance of the score; Eagling nipping through a sequence and then pouncing on a note, Coleman soaring, Wall and Penney teasing the choreography, and Sleep and Vergie Derman letting rip, are all part of an unflaggingly happy piece which, in its merry way, says a great deal about the musical excellence of the company.

eum

La Belle Hélène

by RONALD CRICHTON

Copley's production of n's mythological-contemporary satire some delicate types was first seen last er. Now it returns with len and Paris. Copley's s equivalents of Second rivolities—a Spartan TV ne; a portable gambling in Helen's bedroom; diving, candy floss and rips for the beach at have settled down. e of course, awful, but h's librettists looked on riginals with a fairly d eye. The jokes, in a as large as this, tend to idened from a swift-troke to a line as fat bumb. Does anyone that classical operetta sarily more respectfully n France or Germany? len has nothing on the *in the Underworld* ust year in Cologne, with Mödl as Juno ho-jo-to-round the stage on a ke.

The verbal jokes are less leaden than before. Both Ann Hood as Helen and Ramon Remedios as Paris do well by their dialogue. She is a pretty pug-face with mocking, disbelieving eyes, who wears her smashing clothes not regally like Anne Howells but all the same with an air. The voice was coming roughly on Friday, but presumably (this is the price to be paid for an enjoyably large repertory) the revival, two nights after a new *Tosca*, was hustled on in a hurry. By the third act, in Helen's furious rounding on Menelaus, Miss Hood was showing what she can do. Mr. Remedios, grinning cheerfully, more bumpkin than Prince, is nevertheless a handier comedian than most light tenors. He does not sing as elegantly as his predecessor, but the voice projects easily and in the last scene, disguised as the High Priest of Venus, Mr. Remedios was uproarious.

The Entertainment Guide is on Page 8

Two of the smaller roles are worth watching. Susan Lees as Orestes, though she needs to pip out her first song more clearly, has the natural vivacity operetta needs but does not often get from singers trained to higher things. Shelagh Squires as Helen's maid Cleonte judges exactly how broadly the dialogue needs to be delivered. Perhaps the two pantomime-queer Ajazes (Terry Jenkins and Alan Opie) will eventually follow her lead. The puzzled, doggedly persevering Menelaus of Edward Byles remains a treat. The lighting has much improved. The chorus on Friday had sunk to routine level. Noel Davies conducted. It is a pity to Gilbert-and-Sullivanise the encores of the male-voice trio. Better, surely, to put more go into the Verdian cabaletta the first time and leave the audience wanting more.

er Stein films Gorki's Summer Folk

by RONALD HOLLOWAY

nternational success of Stein's production of Gorki's *Sommergäste* r Folk) at West Berlin's hne am Halleschen Ufer m and the ensemble to cle of modern German The production was n the same breath with own production of *for Godot* at Berlin's Theater and Planchon's and Berlin critic n Luft went so far as to t as a "once in a experience. The joke *Summer Folk* was originvisioned as a *cinematic* on of the Gorki play, then had to be "re-" for the stage when support failed to ise for Botho Strauss's : the production was on a broad studio-like o allow for spectator no matter in which he looked. After the n laurels as among the f the season (plus s engagements at interfestivals), the project nverted back into a film undoubtedly appear at p international film this summer.

disappointment. Instead a film (as originally d: three dominating to carry the action), *Folk* is a filmed docuanned-theatre, televised polished to a "big shine. Stein's only *experience* as a film was a television adapta- one of his earlier hne productions, and he has so much as admitted n declaring at the Berlin conference that the enjoyment began with ing of the film; it sounds would like to start at the *work his way backwards* Still, it is an impressive t: both he and the e demonstrate an array nt in nearly every of film production, and ill undoubtedly take his ith Herzog, Wenders and ler as the leading lights g German Cinema. With n recalling Gustaf ns's Faust.

Schaubühne Ensemble rdly be blamed for inherent in the shoothedule at the very g. The film was shot in rlin to coincide with the theatre schedule last summer; it was thus impossible to divorce the speech patterns from a set dramatic reality with *different rules and oddities*. The fact that Strauss's excellent film script went astray somewhere along the line during the intensive rehearsal period (a time of analysis and weighing of sociopolitical content in the shadow of a Marxist ideology) is regrettable, but what was won its place was an assortment of finely etched characterisations that bring the spectator deeper and deeper into a bitter portrait of the coming, groping, crude-mannered Russian middle-class at the turn of the century.

Somewhere in the middle of the picnic scene (the second motif between idle dacha conversation at the beginning and the brutal outburst at the evening meal), the film comes alive as we come to know each of the 13 principals in different but overlapping lights. The conversations cease to bump into each other but echo the same theme in growing notes of discord. Here Stein seems to know exactly what he is about and draws from his actors the best they have to offer: Otto Sander as the engineer Suslov, the crudest of the bunch; Elke Petri as his antagonising wife; Edith Clever as the lovely, sacrificial Varvara; and Bruno Ganz as the black, mysterious writer. The walk through the birch trees has a melancholic, painful air about it: we forget that there is an embarrassing age discrepancy at *intimate moments* (actors the same age playing an aging female doctor and a young student) that the oddity that all the actors are about the same size and two were difficult even for the Press office to tell apart.

The heresy that Stein and the ensemble committed is common enough in filmed theatre: André Bazin's essay "Theatre and Cinema" covers the problem thoroughly, namely the urge "to make cinema." Stein has never completely divorced himself from the stage version—words, phrases, actions are, indeed, recognisable at every turn; the dialectic between theatrical convention and cinematic realism is reinforced, rather than resolved, by a summer walk through the woods. "The function of the cinema," emphasises Bazin, "is to reveal, to bring to light certain details that the stage would have left untreated." The mistakes were thus made before the film ever reached the cutting table.

The good news is that the Schaubühne Ensemble will try again next summer. The project has not yet been announced—somewhere in between Stein is scheduled to direct a Shakespeare in Berlin and Wagner's *Ring* in Paris.

Festival Hall

Pritchard and Szeryng

by MAX LOPPERT

John Pritchard, who conducted the first performance of William Walton's Second Symphony in 1960, led the London Philharmonic Orchestra in an undemonstrative, well-shaped and played account of the work last Thursday. The symphony itself seems to grow a *little stronger* with the years; or else the listener, having rehearsed to himself its oft-discussed weaknesses, can now be surprised by those passages of genuine (if fitful) inspiration in the music. The first movement has most of them: in its search for a wry, edgy, ambiguous wit, the music throws up attractive textures and phrases; assembled in a manner that takes the sting out of their lack of development.

It is in the slow movement that Walton's failure to establish a character for the symphony, that is both symphonically self-renewing and musically distinctive, begins to be troubling; yet only the third movement appeared seriously to trouble conductor and orchestra on Thursday. Well its bombast might. Even so, it brought good ensemble work from oboes and bassoons, and an admirable attempt at graciousness and dexterity in the final blast.

Strauss's *Don Juan* had begun this musically middling evening: a solid, capably turned performance, with little of the panache or tonal glow that warms its sequences into musical life. In Henryk Szeryng's brilliant, often mechanical reading of the Chaikovsky Violin Concerto, there were even fewer emotionally expansive qualities. An all-purpose proficiency and tidiness suggested that the violinist was secretly longing to be playing another concerto. Very soon one's sympathies were with him.

HOME NEWS

South-east companies see a gloomy year ahead

BY OUR INDUSTRIAL STAFF

A GLOOMY economic forecast has been given by companies taking part in a survey conducted by the London Chamber of Commerce and Industry.

Industry in London and the South-east does not anticipate an end to the recession until the end of 1976 or later, according to the survey results, released to-day.

Most of the companies want the next phase of the Government's counter-inflation policy to restore pay differentials in favour of skilled workers through percentage, rather than flat pay rises.

Phase Two

The survey, which embraces 238 companies in the region, examines prospects for the first four months of this year. Some 58 per cent. of them opted for percentage increases in Phase Two of the national wages policy, 25 per cent. wanted flat rate plus a percentage, and only 17 per cent. wanted a continuation of the present flat rate system.

One of the main reasons for companies seeking the restoration of differentials was the growing shortage of skilled labour throughout the South-east. This shortage is quoted as a potential restriction to increased output in the event of an economic upturn.

A number of companies said the lack of skilled labour might force them to leave the South-east.

On the general business climate, the survey shows that companies are still running at a generally low level of activity although output has increased marginally in the past four months.

There is no general consensus that the end of the recession is near, most companies anticipating an upturn at the end of 1976 or later. This contrasts with other forecasts that the recession is ending and, according to the Chamber, suggests that the South-east may be the last area in the country to recover.

Only 21 per cent. of the respondents were working at full capacity and 22 per cent. at over 85 per cent. of capacity.

On employment, companies report no intention to recruit extra labour, except in the skilled sector. Industries reporting shortages in this category include printing, electrical engineering, engineering, transport and textiles.

The Chamber says that where extra labour is being sought, there is difficulty in recruiting in competition with local authorities. Moreover, unskilled labour might not be in demand when the economy picks up.

Wage rises are cited as the most important single factor in inflating costs. The survey also reveals increasing worries about the rising cost of imported materials because of the falling value of the pound.

Indicators will set scene for jobs moves

By Anthony Harris

ECONOMIC indicators giving a more up-to-date picture of the state of the economy on the eve of the Chancellor's new measures against unemployment on Thursday will appear this week.

To-day the wholesale price index will give a forward looking indication of the trend of retail prices.

The retail index will appear on Friday and on the same day the latest figures for hire-purchase credit will indicate how far the recent relaxation has met with any response with the buying public.

The banking figures on Wednesday appear likely to suggest a tight monetary situation in the aftermath of the buoyant gilt sales of recent weeks, though since the Government has acted to stabilise interest rates, this is probably only a temporary phenomenon.

On Thursday, before the Chancellor speaks, the latest index for industrial production, for December, will be published. Recent figures have suggested that the decline in production is now past its low point, though no significant rise is yet expected.

Close attention will be paid to the building societies' financial statistics on Friday since the societies are under pressure to adjust rates to the lower general interest rate.

The January trade figures will also appear on Friday, as well as the January steel production figures and the fourth quarter for steel consumption and stocks.

Mrs. Thatcher wins over Young Tories with 'freedom' speech

BY OUR LOBBY EDITOR

MRS. MARGARET THATCHER further consolidated her position as leader of the Conservatives yesterday—a few days before the anniversary of her election to that post.

Her speech, and one by Lord Thorneycroft, the party chairman, to the annual conference of the Young Conservatives at Scarborough, took some of the sting out of the conference's overwhelming resolution on Saturday regretting "the continuing ineffectiveness in the eyes of the public of the Conservative Opposition," and calling for a much more aggressive approach.

The speech, which was inevitably short on specific policies but long on "message," was described by Mr. Anthony Kerpel, the YC chairman, as "clearly outlining her priorities" and demonstrating, "judging from the response to it, that she will be Prime Minister."

He added, however, that the Young Conservatives—the most vocal critics of the general leadership of the party—would have to wait and see what happened to her priorities.

Mrs. Thatcher's theme yesterday was that Britain needed a complete change of direction, with less bureaucracy, taxation and controls. The rights of ordinary people were being chipped away, one by one, she claimed.

"Where there is no choice, we are reduced to a world in which everyone must do the same thing, not their own thing," she added.

These freedoms could not exist if the State owned and controlled all the means of production, distribution and exchange; and Britons should not be lulled into taking their freedom for granted.

Freedom was threatened, she said, and Britain was heading for a nightmare world where filling in forms and fulfilling regulations could take almost as much time as the jobs people were trying to do.

Did the man who wanted his own business—whether as a window-cleaner or jobbing builder—think it was alarmist to attack the endless taxes and controls which drove him to distraction and brought him to bankruptcy?

Mrs. Thatcher argued that the Tory attack on socialism sprang from the passionate belief that freedom of choice was the most precious thing, and that individual liberty was a right.

'Britain's Soviet-type economy'

By Our Industrial Staff

BRITISH INDUSTRY is being changed from its mainly free enterprise character into a Soviet-style centrally-controlled economy, according to an Aims for Freedom and Enterprise pamphlet, published to-day.

Mr. Russell Lewis, a former director of the Conservative Political Centre, writes that measures already operative or in the pipeline "will, within the lifetime of most of us, qualify Britain to become a member of Comecom (the Soviet version of the Common Market)."

In Britain, the position of managers was worsening. Rising taxes added to the weight of business overheads, reduced net profits, diminished reserves and eroded incentives.

"The abiding weakness of State industry which invariably makes it a drag on the economy is not only that it is cushioned from market pressures by the taxpayer.

"Still more important, the managers are never quite free to get on with their job of production and, in this respect, are worse placed than their counterparts in the Soviet Union or free-enterprise firms."

Neither Freedom nor Enterprise, by Russell Lewis; Aims for Freedom and Enterprise; 25p.

Bid to keep rebel MPs in the fold

BY CHRIS BAUR, SCOTTISH CORRESPONDENT

THE LABOUR Party's National Executive Committee will be asked to take the unusual step of refusing to permit two Scottish constituency parties to select new candidates in place of their sitting "rebel" MPs who have joined the new breakaway Scottish Labour Party.

This follows a unanimous decision by South Ayrshire constituency's general management committee at the week-end to ask the Labour NEC for sanction to select a new "official" Labour Party candidate. The new candidate would replace Mr. James Sillars, the MP who says he will stand at the next election for the strongly pro-devolutionist SLP.

Over a week ago, Paisley constituency made the same decision about its MP, Mr. John Robertson, who has also announced his intention of standing for the SLP at the next election. And last week, Labour's Scottish regional secretary, Mr. James McGrandle, sent instructions to all constituencies and affiliated organisations, telling them that all members of the new party had automatically expelled themselves from Labour ranks.

Today, however, the organisation committee of Labour's NEC will be asked by one of its members, Mr. Alex Kitson, to withhold permission for selection of new candidates. Mr. Kitson treasurer of the Scottish TUC, which—like the SLP—wants economic powers for the proposed Scottish Assembly, believes that Mr. McGrandle exceeded his constitutional authority in issuing last week's instructions.

He said yesterday that it might be possible, once the SLP's constitution and policies were examined, to make some "arrangement" with the new party similar to the agreement under which the Co-operative Party put up 30 candidates on a joint ticket with Labour.

Engineers list industry's problems

Financial Times Reporter

CONCERN over the impact of the levels of taxation, inflation and price-profit controls on the engineering industries is expressed by the Engineering Industries Association in a pre-Budget memorandum to the Chancellor of the Exchequer.

The association, which has 4,200 members draws attention to the growing problem in the industry because of its inability to maintain its real capital or to generate adequate funds to finance its business. It points out that continuation of the current fiscal policy will lead to a contraction of business and employment.

"Due to inequitable taxation on the wealth producing industry, the Association strongly recommends that a review of the whole taxation system be made without delay."

Public funds for political parties opposed

Financial Times Reporter

THE Association of Independent Businesses, in a memorandum to the Houghton Committee, declares that its members are opposed to financial aid for political parties from public funds.

"Money given to a political party for research would merely enable that party to divert the money which it now spends on research to other purposes. Thus, whatever the ostensible reason for any Government grant, it will in practice merely add to the general funds of the party.

"Long and bitter experience shows that Government aid to any organisation, which starts in a small way, is almost invariably increased. In the case of political parties it will be in response to heart-rending cries about shortage of funds and the consequent danger to democracy," says the Association.

Monetary reform 'needs pragmatic approach'

BY ANTHONY HARRIS

TOO MUCH serious attention is now being paid to the argument over international monetary reform, according to Dr. David Lomax, chief economic adviser of the National Westminster Bank.

Writing in the bank's Quarterly Review published to-day, Dr. Lomax says: "If you see reports that some attempt at international monetary 'reform' has failed, do not be in the least worried.

"If it is suggested that disaster lies around the corner unless some new total scheme of 'reform' is carried through, be suspicious.

"If, however, Government and Central Banks appear reluctant to face up to any obvious problem, then be extremely concerned."

Dr. Lomax argues that in present circumstances, an elaborate and fully-worked-out system of formal monetary relations is neither necessary nor achievable.

Equally, the general wish for fixed exchange rates conflicts with the wish to relax restrictions on international capital movements.

"A pragmatic approach is essential. In present circumstances, trying to force the international monetary system into a straitjacket could be a disaster."

Jobbers may revert to partnership

By Michael Lafferty, City Staff

LONDON'S biggest jobber, Wedd Durlacher, is planning to revert from the status of a limited company to a partnership.

Mr. David Oldham, a director of the company refused to comment on the reasons for the change. But he hinted that it was primarily designed to facilitate younger dealers who might not have enough capital to acquire a significant block of shares.

Wedd Durlacher has 55 shareholders and became a limited company in July 1970. Rothschild Investment Trust has a 10 per cent. stake in the company.

The company called in McKinsey and Co., the management consultants, in March last year to assess its efficiency and to decide whether opportunities existed to expand outside its Stock Market activity.

Tories plan attack over lack of guidelines for NEB

BY JOHN BOURNE, LOBBY EDITOR

A CONSERVATIVE attack on the lack of specific Government guidelines to the National Enterprise Board is expected to lead to a political row in Wednesday's Commons debate on State investment in the motor industry.

Mr. Michael Heseltine, the main Opposition spokesman, will probably concentrate on the reversal of Government policy towards the end of the recent Chrysler negotiations, and the conflict over these between Mr. Eric Varley, the Industry Secretary, and Mr. Harold Lever, Chancellor of the Duchy of Lancaster and economic adviser to the Prime Minister.

Mr. Lever's case for a major rescue operation for Chrysler U.K., which finally won the day in Cabinet, will be contrasted with the Chequers talks on an industrial strategy of investing Government money only in companies which were fundamentally viable.

However, Mr. Heseltine will probably reinforce his arguments by quoting from the report of Sir David Pitblado, the Comptroller and Auditor General, on the Government's Appropriation Accounts for 1974-1975, published last week.

This report, which will go to the Commons Public Accounts Committee for possible investigation, raises questions about the handling of several controversial payments of selective assistance made by the Department of Industry.

The recipients included the Meriden motor-cycle co-operative, the Kirkby co-operative factory near Liverpool, and the Scottish News Enterprises, which published the short-lived Scottish Daily News.

On these, Sir David records that "a substantial part of the Department's assistance was used to purchase existing assets on which there appeared to be a wide range of possible valuations."

About the Meriden co-operative, the Department told Sir David that there had been a major stumbling-block in the negotiations on the price for plant and machinery because the co-operative was prepared to pay from loan money only what it considered the assets to be worth.

"In view of the importance of re-starting production at the factory as soon as possible, the Government decided to provide the difference between the two parties' valuations by making the co-operative a grant of £750,000," says the report.

On Kirkby, the report say the Department told Sir David that it had not been possible in the time available to arrange for an independent valuation of assets. The Receiver provided copies of the valuation he had received.

Sir David adds: "The Department was satisfied that the company could not have bought the assets for less than the £1.8m. paid."

Meriden co-op in talks with Italians

BY PETER CARTWRIGHT

THE MERIDEN Motor-Cycle Co-operative, the only major force in Britain's motor-cycle industry since the collapse of Norton-Villiers-Triumph, is having further talks this week with a leading Italian motor-cycle group, Moto Guzzi. The Italian company makes 28 models, from 125 cc to 1,000 cc.

Mr. Denis Johnson, the co-operative's chairman, and Sig. de Tomasso, managing director of Moto Guzzi, announced agreement at the end of November on a plan to create a "European approach" to the industry.

Since then, further discussions have identified the types of machine Meriden would manufacture and negotiations starting to-day will centre on volume and pricing.

"With any luck, we could come to some firm arrangements before the end of the week," Mr. Johnson said.

Meriden makes 650 cc Bonneville machines at its plant near Coventry, which have a long list of successes in world competitions, but are somewhat dated. A link with a leading European maker would take it into a wider, modern range, probably beginning at 125 cc without the cost of time-consuming development work.

The co-operative is also battling to establish itself as a supplier to police forces. Some of these have started to build up fleets of foreign machines, while most use specially adapted Norton Interpols made at Wolverhampton. This is one of NVT factories in liquidation where nearly 100 Interpols in various stages of assembly are being held within the factory by a workers' occupation.

With NVT's Birmingham factory making Triumph Tridents also closed, most police forces will be forced to choose another make.

Meriden has supplied "Saint" variations of the Bonneville for police work in the past and has been disturbed to find that police forces are contemplating buying Japanese and German machines.

Prior joins CBI attack on Docks Bill

THE CONTROVERSIAL Dock-work Extension Bill, whose Second Reading is to be debated in the Commons to-morrow, will give dockers "a stranglehold over the nation's food supplies," Mr. James Prior, "shadow" spokesman for Employment, said yesterday.

"They could stop food reaching the shops at a stroke," Mr. Prior added in a statement.

He made it clear that the Tories intended mounting an all-out attack on what he described as "one of the most damaging Bills to be placed before Parliament for years," when it comes up for Second Reading.

The Confederation of British Industry is also campaigning against the Government's proposals to extend dock work to five miles either side of a port or waterway.

In a five-pronged attack on the Bill, Mr. Prior said:

1—It will result in every housewife paying more for her food.

2—It will place in dockers' hands a stranglehold over the nation's food supplies. They could stop food reaching the shops at a stroke.

3—It will result in other people losing their jobs so that dockers can take their place.

4—It will cause more unemployment, for trade through our ports will cost more and hence decline.

5—It will stop expansion and investment and hence more jobs will be lost.

Mr. Prior accused Mr. Michael Foot, the Employment Secretary, of being prepared to extend the power and privilege of the dockers at the expense of the rest of the nation.

"There are 30,000 dockers—many of whom don't want this power," he said. "There is a better way of helping the dockers—let's make up our minds to dock this Bill."

The Prime Minister has been urged by the Confederation of British Industry to shelve the Bill and to substitute a wide-ranging impartial inquiry into the problems of dockland.

In a plea to Mr. Wilson, Sir Ralph Bateman, CBI President said: "The feeling against the Bill by the CBI Council is so strong that I must draw to your personal attention our objections."

This move follows a meeting on Friday when Mr. Michael Foot, the Employment Secretary, made it clear to CBI leaders that the Bill would be virtually unchanged.

The CBI team, led by director-general Sir Campbell Adamson, then voiced "complete and absolute opposition" to the proposals.

LABOUR NE

Sanctions ease at Leyland, but Ford fears dela

BY ROY ROGERS, LABOUR CORRESPONDENT

THE EASING of sanctions by several groups of workers at the Leyland Cars assembly plant at Cowley, Oxford, has enabled the company to reduce the immense backlog of unfinished vehicles in the factory by about 3,000 over the past fortnight.

At Ford Motor, however, sanctions being imposed from to-day by 4,500 skilled employees threaten to delay the launch of two new Ford models due later this year.

At Cowley, a further 6,600 unfinished cars have still to be rectified and cleared but with inspectors and testers now agreeing to work overtime, this stockpile should soon disappear, freeing much needed Marinas, Maxis and Princesses for the market.

Behind this improving situation are proposals to set up a new joint management-union committee to consider all future regrading claims.

The prosposals involve upgrading the 260 production line inspectors and 66 testers to production workers—a move worth up to £4.20 a week extra when the Government pay policy permits.

One of the first jobs of the new joint committee will be to consider how job specifications can be altered so as to justify upgrading these workers without sparking off similar demands from other groups.

The inspectors have already decided by 116 votes to allow their claim to be sidered by the proposed committee, but a meeting testers has rejected the a majority of only two votes are being urged by union to reconsider as the scheme not go ahead without their port.

If, as seems likely, the do relent and fall in line the scheme, then Cowley scene of several regrading rows over the —may well be able to the trouble-free run Leyland needs to recapture lost market share.

Just last month, Le management and launched a joint action gramme designed to maximum output and and the minimum of disruption. The programme backed unanimously by the national council—the top Leyland Cars' three-tier participation structure.

The Ford craftsmen's which centre on a policy co-operation, are in support a long-standing demand better representation company's negotiating nery. Traditional craft differentials have been in recent years, largely of the dominant role at F the production worker Transport and General W Union.

TASS to recruit consultancy staff

BY OUR LABOUR CORRESPONDENT

A RECRUITING campaign aimed at the 20,000 non-unionised skilled and professional staff employed by engineering consultancies is to be launched by the technical and supervisory section (TASS) of the Amalgamated Union of Engineering Workers.

It is likely to bring TASS—which already claims several hundred members in this largely untapped field, into further conflict with professional institutions and non-TUC unions like the U.K. Association of Professional Engineers.

Although the campaign will be based initially on distribution of a leaflet designed to explain the advantages of membership, TASS is prepared to exert much stronger pressure in areas where it has the strength to do so.

One such area is contracting from companies Ford Motor, where TASS bargaining rights for staff. According to Mr. TASS general secretary, responsible for contract some £40m. of consultancy a year, most of it order TASS members employed Ford.

"Consultancies where TAS represented are obviously likely to be favoured, because of the common belonging to the same union said last night.

TASS has traditionally a policy of insisting upon per cent. TASS members engineering contract offic claims that in the past bers have often refused work from companies wh does not apply.

Lower week-end pay dea accepted by BSC worke

BY OUR LABOUR CORRESPONDENT

BRITISH Steel Corporation production was normal yesterday—the deadline for local agreements with unions on the reduction of higher paid week-end shift working.

But in certain plants where local negotiations have yet to be completed premium shift working continued yesterday. Those who reported for work were re-deployed to where they could be most effective.

Further talks will be held this week at these plants, which include Corby, Northants, and Llanwern, Ebbw Vale, Trostre and Velindre, all in South W It is expected that agree will be concluded.

Previous unilateral atte by BSC to reduce the lucra week-end shiftworking as par planned economies tota £170m. a year, sparked of official strikes by thousands South Wales miners.

But a measure of how succes ful the subsequent local negoti tions have been can be seen BSC's Port Talbot works of a three-week strike by 1,0 men last month—where agree ment on reduced week-end wo ing has been finalised.

SOGAT row hits papers

BY OUR LABOUR CORRESPONDENT

UNOFFICIAL industrial action by members of the Society of Graphical and Allied Trades severely disrupted weekend distribution of the Sunday People and the Sunday Times in the London area.

A total of 700,000 copies of the People and some 250,000 of the Sunday Times were lost as a result of the action which involved SOGAT members employed by the major London wholesale newspaper distributors including W. H. Smith and John Menzies.

The London distribu workers claim that non-u labour employed by small d tributors around the fringe the London area are "tresp ing" into the capital threaten their livelihoods as a result.

Representatives of all F Street newspapers are due have an early meeting w national union officials on issue.

THE FINANCIAL TIMES, published dai[illegible] Sundays and holidays. U.S. [illegible] annum. Second class postage paid [illegible] York, N.Y.

APPOINTMENTS

Executive change at General Accident

Mr. Aonghais Macdonald is to succeed Lord Inchyra as a deputy chairman of GENERAL ACCIDENT FIRE AND LIFE ASSURANCE CORPORATION from February 18. Mr. Macdonald has been chief general manager of the corporation since 1964 and a director since 1968. A former chairman of the British Insurance Association, he was recently appointed a member of the Policyholders' Protection Board. Lord Inchyra, who is retiring as a director of the corporation, was elected to the Board in 1962 following a diplomatic career. He became a deputy chairman in 1972.

*

Mr. J. G. Connor, Mr. P. B. Holmes and Mr. M. J. Lessiter have been appointed directors of HOWDEN CROSS, part of the Alexandeer Howden Group.

*

Mr. K. Hargreaves and Mr. F. H. Wilkinson have been appointed directors of C.V. MENSWEAR, a subsidiary of Carrington Viyella.

*

Mr. R. Ross, marketing director of Brush Switchgear, has been appointed a director of HAWKER SIDDELEY ELECTRIC EXPORT in place of Mr. A. L. Wolfendale, director and general manager of South Wales Switchgear.

*

Chief J. Akin George has been appointed chairman of JAMES KILPATRICK (NIGERIA), part of the Balfour Beatty group of BICC.

*

Mr. R. K. McCabe has been appointed to the Board of TRIPLEX SAFETY GLASS COMPANY. He joined the company in 1974 as chief accountant, having held various accounting positions elsewhere in the Pilkington Group since 1948.

Mr. V. J Osola, Triplex director responsible for technical matters, has been appointed to the Boards of Triplex Ireland and Triclover Safety Glass.

*

Mr. J. S. Parker has joined REDIFON as an adviser on the group's marine activities in radio communications, radio navigation, and radar simulators. Mr. Parker was previously with the marine division of the Department of Trade, where he was the principal in charge of radio communications and radio navigation aids.

*

Mr. Peter Cahill has been appointed sales director of OYEZ SERVICES. He was previously national sales executive.

*

W. S. Atkins Group has announced that direction of its consulting companies is being drawn together under a new company, W. S. ATKINS GROUP CONSULTANTS. Directors are as follows: Mr. W. S. Atkins, Mr. G. D. Beardall, Mr P. A. Brown, Mr. D. R. R. Dick, Mr. K. N. Drobig, Mr. J. A. Goldsmith, Mr. H. J. Grout, Mr. A. V. Hooker, Mr. J. C. Judson, Mr. E. M. Lewis, Mr. F. Micklethwaite, Mr. A. R. Parish and Mr. P. M. Worthington.

*

Mr. D. J. Clarke has been appointed managing director of ARTHUR BROWN AUTOMATION.

*

Mr. Peter C. Burn has been appointed a director of SHIPPING AND COAL COMPANY.

Police inquiry on failed bank nearly complete

BY MICHAEL LAFFERTY

POLICE inquiries into London and County Securities, the failed secondary bank, are nearing completion and their report will be considered by the Director of Public Prosecutions.

This was stated in Parliament last week by Mr. Stanley Clinton Davis Under-Secretary for Trade, in answer to a question from Mr. Hugh Dykes, Conservative MP for Harrow East, who wanted to know what action was being taken after the Department of Trade inspectors' report into the collapse of London and County Securities.

The inspectors draw attention in their report to "three matters tending to show that offences had been committed."

Mr. Clinton Davis said that if there were civil claims to be pursued, these should be dealt with by the respective liquidators of the companies concerned.

So far as the supervision of secondary banks was concerned, he said that preparations for the amendment of the Protection of Depositors (Accounts) Regulations 1963 were already in band. In addition Mr. Davis said that he was "considering the implications of the report in conjunction with my on-going review of company law."

IN BRIEF

Transport profit

In the three months to November, 1975, Freightliners, the national road/rail container transport company, made a trading profit of £400,000.

Tyne rate up

Tyne and Wear County Council is to put up its rate by a ½p to 29p for the next financial year, making the county local rate precept 1.75 per cent. higher.

The Office World

A new study by the Institute of Personnel Management, published to-day, describes the benefits and pitfalls of job evaluation. Roy Levine reports

A tool for frustrated managers

AT A TIME of high unemployment management may be concerned about bolstering staff morale. When rising unemployment is accompanied by high inflation and pay restraints there is the added complication that low staff morale may be exacerbated by grievances about falling standards of living. Pay suddenly becomes vitally important — a prime motivator, instead of just being one of the factors creating content employment in an organisation.

One policy that management can adopt to help alleviate the pressures is job evaluation — a technique developed in the U.S. during the 1930s and which has been widely accepted there. It is estimated that about two out of every three American workers have been graded under job evaluation schemes of one kind or another.

In this country, the Institute of Personnel Management has undertaken a study* of job evaluation in practice, the results of which are published to-day.

In its survey of 213 organisations in the U.K. (selected at random), the Institute gives a fair and balanced account of the technique as perceived in the U.K. and gives it mild support. As the authors say in the introduction, "The whole question of pay differentials and pay relativities between groups of workers could probably only be solved to the satisfaction of all in a Utopian world. "Certainly, any solution on a national scale seems likely to remain elusive. Nevertheless, it is important to try to establish a fair rate for the job. Job evaluation, within limits, can help to achieve this end."

Unfortunately, the authors do not try to define the limits within which the technique can be beneficial. But they do provide some useful insights into the advantages and disadvantages of the system.

They stress that the technique is an attempt to analyse the job and not the job holder and that it takes no account of the individual job holder's capabilities or personality — one major drawback. They point out, too, that what is essentially a fairly easy and straightforward exercise (whose main complication is perhaps in retaining happy staff relations while implementing the system) has been devalued by unnecessary vernacular. "Disguising subjective judgments behind a paraphernalia of pseudo scientific mumbo jumbo," is the way they put it.

CONSEQUENCES OF JOB EVALUATION

Number of companies in sample of 168 reporting:

	Quite a lot	Not much	Not at all	Don't know
Increase in pay bill	54	76	17	24
Increase in productivity	22	47	50	41
Decrease in labour turnover	27	48	39	46
Decrease in industrial relations problems	59	40	29	33
Improvement in quantity of new intake	23	29	65	40
Improvement in quality of new intake	37	40	43	38
Generated more conflicts and confusions	14	40	78	26

Two specific pitfalls they warn against are the fact that biased weighting of different jobs could creep in if the distribution of points for various jobs is not properly controlled or statistically corrected; and, secondly, the failure of most job evaluation schemes to take full account of market rates of pay.

The advantages that job evaluation is supposed to bring (by offering what can be seen to be an objective level of pay for the job) include increases in productivity, improvements in quantity and quality of new recruits, decrease in labour turnover and industrial relations problems.

Industrial relations

The benefit that comes over most strongly in the report is the impact on industrial relations — a little over a third of the respondents felt that job evaluation contributed to a decrease in industrial relations problems, even though a relatively small number actually implemented the scheme specifically for this reason.

The overwhelming reason was to get a fair pay structure and to establish a system of job hierarchy.

Another important motive was to deal with the requirements of the Equal Pay Act 1970 which came into operation this year. This was especially true of organisations that employ a large proportion of women. It seems that some impetus was given to job evaluation by the Office of Manpower Economics which encouraged the technique in its first report on the implementation of the Equal Pay Act.

As it said in 1972: "If the process of introducing equal pay is to be well ordered employers need to examine its implications for their pay structures as a whole and, in consultation with trade unions and employee representatives, work out a systematic approach to the problems of relativities which arise. Our studies confirm that, apart from its wider advantages, job evaluation properly used is the best way of doing this."

Although job evaluation has not had the same degree of acceptance in Britain as it has in the U.S., it is by no means a remote tool for management. No less than 168 of the 213 organisations that responded to the Institute's questionnaire had some sort of job evaluation scheme in operation. A further 10 were about to introduce a scheme.

Some 30 firms had never had a scheme and five had rejected the idea after trying it either because they found it generated more conflicts than it solved or because the scheme was disliked by the unions. If the failure rate of 2.3 per cent. is representative of the U.K., then job evaluation can be seen to have been quite successful.

About a third of the organisations operating schemes in the sample had been running their schemes for more than 10 years. But there was also quite a sizeable proportion that started schemes after 1969, again suggesting an impetus from the Equal Pay Act.

The method of job evaluation most favoured by companies in the sample was Points Rating, where the number of points allocated to various job factors determines its weighting. This was followed in popularity by a non-analytical method called Grading where the number and characteristics of the grades are determined before the jobs are placed in rank order.

Guide Chart Profile, developed by the consultants Hay-MSL, was also used quite often especially for managerial staff. This method uses three factors: know-how, problem-solving and accountability which are each divided into eight levels. Altogether, the Institute lists 10 methods of job evaluation.

Whatever method is preferred, the style of implementing them involved some degree of participation. Roughly speaking about a third of the companies that had schemes adopted them through joint mangement and union committees, in some cases set up specially.

Degree of participation

Unfortunately the authors do not indicate any correlation between the degree of participation and success of the scheme. In the other two-thirds of cases, the exercise was carried out either by the personnel department on its own or in conjunction with line managers, but not union representatives.

One of the factors which is crucial to any scheme irrespective of the style in which it is implemented is to set up an appeals procedure so that staff can have some say about the way that their jobs have been evaluated. Just under half the sample allowed their employees wide scope to appeal, usually to their direct superior.

This at least provides an outlet for staff that feel aggrieved. And, indeed, one of the main difficulties experienced by firms in this up-to-date survey was in maintaining differentials in times of inflation. However, at least management has a frame of reference in trying to overcome this problem. Some of the critics of job evaluation argue that it contributes to increases in the total pay bill. But significantly this was found to be true by only a third of the sample.

There is not yet in this country an overwhelming groundswell of opinion in favour of job evaluation. So its progress is likely to be steady rather than dramatic. For this reason, too, the possibility of having a national job evaluation scheme as operated in Holland after the War or in Russia seems equally remote. This was reinforced in the survey which indicated that 70 per cent. rejected the idea, thus echoing the sentiments expressed by the now-defunct National Board for Prices and Incomes (NBPI) some years ago.

The Institute's survey is by no means a comprehensive document, but rather a layman's guide. It is a useful addition to the debate about job evaluation and updates the last survey carried out seven years ago by the NBPI. The survey is concluded with four useful case studies that show the reader how various schemes were successfully introduced by different organisations.

* *"Job Evaluation in Practice," Institute of Personnel Management, Central House, Upper Woburn Place, London WC1H OHX. £5.*

Work for the elderly

BY EVE MACPHERSON

IN ANY period of national unemployment, sympathy for the cause of certain categories of employees is bound to diminish. The criteria of who most "needs" employment can all too often lead to discrimination that results not only in a widespread sense of rejection among the job applicants, but in employers themselves being denied the very assistance from which they could most benefit.

This is a situation in which the over-sixties find themselves. The general lack of job vacancies combined with the earnings rule which virtually taxes them for being employed and the feeling that they have little "right" to have jobs anyway, discourages the over-sixties from applying for jobs and employers from offering them.

Largely because of this, Success After Sixty was established last year by 27-year-old Richard Broyd, head of Accountancy Personnel, the fifth largest office employment organisation in Britain. With eight branches; Success - After - Sixty's main objective is to place retired people anxious to work, in office jobs which will enable them on either a full or part-time basis to go on working, albeit in a situation of reduced status and reduced pressure.

"The whole concept is based on 'age. lib'," explained Richard Broyd. "I feel very strongly that there should be equal employment opportunity whether you're a woman, black, disabled—or over sixty. As it is, able people are forced to retire long before they are ready. Companies have their problems, too, because they must move people on to make room for younger ones to have the promotion they deserve.'

Mr. Broyd emphasises that the motivations of the over-sixties are totally different from those which apply earlier in life. "It is surprising the number of purchasing managers willing to go back to work as filing clerks or messengers. It is often simply a question of keeping in touch, of keeping alert.

"The people we are dealing with are the ones who don't consider themselves old; they still have a lot to contribute and they wouldn't dream of going to day centres or accepting welfare. They want to go on working, but with less responsibility, just to keep busy, to earn pocket money—have something to tell a wife perhaps younger and still working full-time herself."

According to Mr. Broyd, success after sixty is run on a break-even operation. Employers pay an introduction fee in the same way as to a conventional employment agency. Since its inception last March the agency has been placing "double figures" every month in London alone, and more throughout the country. Even so, only about one third of the applicants are found jobs; the number of employers willing to consider retired people has been slow to increase.

This is confirmed by Kay Sykes, managing director of Part Time Careers Ltd., an agency which, because it specialises in part-time office staff, has numerous applications from people at or nearing retirement age.

Mrs. Sykes finds that it is mainly the smaller, family firms which are flexible enough to offer a fair deal to older employees. "The big companies," she explains, "often have difficulties relating to pensions for their existing staff, or may be inhibited by [illegible] agreements that their [illegible] will retire at 60 or 65.

"Even so, the worrying [illegible] is that so many [illegible] which are in a [illegible] employ older people [illegible] them simply because [illegible] older — there is an [illegible] amount of prejudice."

Mr. I. W. G. Alcock, [illegible] sonnel officer at Percy [illegible] agreed. "Many compa[illegible] incredibly prejudiced [illegible] older people. It's often [illegible] to understand why they [illegible] won't interview a [illegible] woman over 60 for [illegible] routine clerical or [illegible] job."

Some employers express [illegible] certainty about offering [illegible] low calibre to people [illegible] work of a much higher st[illegible] But Mr. Alcock feels [illegible] many cases this is simply [illegible] relevant. He said: "I [illegible] of retiring age myself [illegible] to long, and I will be happy to do a far less de[illegible] ing job than I'm doing. I won't want to work [illegible] every day—just a part-[illegible] to give me the [illegible] security and an interest."

Potential employers [illegible] also realise that the over[illegible] are not so grateful for [illegible] job that no efforts need [illegible] made on their behalf once [illegible] are employed. Expe[illegible] loyalty and often dedicat[illegible] common attributes in [illegible] employees, but in return [illegible] expect a certain flexib[illegible] employment attitudes: [illegible] working hours save them [illegible] to put up with tiring ru[illegible] travel; and a free or [illegible] sive canteen lunch is com[illegible] tion for necessarily low [illegible] as is help with travelling [illegible] penses. To the emp[illegible] benefit however, is that [illegible] with the absence of p[illegible] contributions it can [illegible] employ three part-time [illegible] people than two [illegible] younger staff.

The charity Age Con[illegible] volves itself in various [illegible] the country with the [illegible] ment of the over-sixties [illegible] bureaux which are often [illegible] in association with [illegible] authorities. These bureaux [illegible] jobs only for elderly p[illegible] resident in the borough [illegible] which they operate. [illegible] employers with job vacancies [illegible] nearby areas might register with the closest bureau, [illegible] vided not too much travel [illegible] involved for the employee.

EXECUTIVE HEALTH

What the doctor should tell

BY DR. DAVID CARRICK

"He was delighted and his wife contrite."

THERE IS an area of waste land between doctors and patients or their relatives that is widening in a disturbing fashion. I have never understood why patients should not have their maladies explained to them in understandable and descriptive language, and I am frequently amazed to find just how ignorant patients of high intelligence who occupy senior managerial or similar posts can be.

To find just one who has even an inkling of, say, the function of the lymphatic glands, is quite exceptional. Yet there is no reason why simple explanations should not be given; indeed, when they are not, mild to severe anxiety may be engendered in the patient needlessly, a situation that not infrequently causes the doctor to be faced with two disorders instead of one.

Several reasons for this undesirable state of affairs may be advanced, including lack of time, lack of sensibility on the medical side, and other less worthy motives. Insurance companies encourage the practice by instructing the doctor in their remarkable form "not to reveal the findings" to the applicant.

One such form poses a great problem over blood pressures. "If the levels are higher than those set out in para. a(2) (above)" it insists, "kindly ask the applicant to come back in three days, *but do not tell him why.*" Well, what does one say? Evasive reasons can lead to queer looks; and lies lead only to another sort of suspicion. Whichever course is adopted, be sure that the wretched applicant's blood pressure will be far higher on the second visit.

Senior hospital staff can unwittingly cause needless agitation by deputing duties. Worried relatives who never see the Great Man whose name is over the patient's bed and are fobbed off by others, who may know little, can only become yet more worried.

Just a few words from the Chief would dispel fear and despondency. This state of affairs is usually due not to a breakdown in communications but to a total lack of such in the hospital pyramid.

Howbeit, in the near future, no doubt, everything will be left to merry machines and cosy computers which will not be troubled by fancies about patients being human beings requiring compassion plus mechanical diagnosis.

The situation becomes even more sensitive when a patient is suffering from an incurable malady.

Supposing his patient is almost certain to die, then he must try to judge his likely reactions to the dreadful truth. For, however certain may be a man, when robust, about being told the truth; when the time comes, he tends to be a very different person when on his deathbed. Sometimes circumstances arise in which it seems desirable to warn relatives so that they may be prepared, but such knowledge may be subtly communicated to the patient so that fear is added to pain and pain to fear.

With less imminent disasters, decisions may be even harder. If, for example, one finds a patient to be suffering from some malady which, by drastic means, may be alleviated but not cured, what is to be done? Such a problem was presented to me by a colleague who had discovered, from some routine eye-test, that a certain 60-year-old executive was suffering from irreversible arterial disease and hypertension.

The doctor asked me whether I thought he should be told. Knowing the man to have three loves in life (food, cats and his wife, in that order) and that the one measure likely to prolong life was strict dieting, I urged silence. I believed that to take away his number one joy and to fill him with chronic fear, was not worth the extra year or two the regimen might gain.

My thoroughly unscientific wish was granted and nothing was said. That was 15 years ago and the man is very much alive and still has his three loves (in the same order).

On rare occasions the doctors may have to bend the truth for the benefit of a patient. Such a thing happened to me some years ago when a middle executive came and sought my aid. He was convinced that he had cancer. He looked remarkably well and I gathered that he had been told this by many physicians and one surgeon. To give some idea as to the profundity of the poor soul's phobia, he spoke of the surgeon: "He just came into the cubicle," he said, "patted me on the tummy, and said: 'You're too fat,' and pushed off still smoking his pipe!"

Many would have felt affronted. Not Mr. R. He interpreted the casual behaviour as "putting on a brave face because he knew I was 'incurable.'" My examination revealed nothing but I saw no gain in telling him. Careful questioning of his friends showed that he suffered from a nagging wife and her ghastly mother who mocked his hypochondriasis and him.

They seemed immovable so, when I saw him again, I provided him with a completely fictitious disease which I could cure with the help of sympathy from his wife. He was delighted and his wife contrite and he recovered rapidly, the cure being speeded by the merciful decampment of the disgruntled mother-in-law.

OVERSEAS NEWS

)amascus talks cement ;yrian role in Lebanon

IHSAN HIJAZI BEIRUT, Feb. 8.

:GGER Syrian role in on has been established ly as a result of the visit nascus yesterday by Presi- ;uleiman Franjieh and his with President Hafez ad.

oint communique issued ght has established Syria godfather of the political ent between the Lebanese s to end ten months of g, as guarantor for a g *relationship between* ebanese Government and nian guerillas stationed ebanese soil, and as a er of Lebanon against

communique declared ;yria will guarantee the ition of the "Cairo agree- between Lebanon and Palestine Liberation sation "both in letter and

agreement, which was ded in Cairo six years ago, ed commando presence in on "within the framework banese sovereignty and y" and brought refugee under direct guerilla control. The agreement, which was never officially published, was reported to have barred commandos from circulating with their arms and in uniforms outside their camps, and from carrying out attacks against Israel from Lebanese territory so as not to invite Israeli reprisals.

The Syrian-Lebanese communique declared the intention of the two countries to "develop their bilateral relations to the highest degree possible" so they may defend themselves against the common enemy, which was taken as reference to Israel.

Informed sources here took this to reflect the Syrian desire to establish with Lebanon the same kind of relationship Damascus has set up with Jordan. Speculative reports in the Press here to-day said that during their private meeting yesterday, which was not attended by any of their aides, Franjieh and Assad focused their attention on bilateral relations, and that the Syrian President proposed an economic and military federation between Syria and Lebanon. President Franjieh, papers said, was "reserved" and did not want to go that far.

Informed sources expect that President Franjieh this week will proclaim a "constitutional document" comprising the reforms which will fundamentally ensure equal sharing of power between Christians and Moslems. The fact that the reforms were mentioned in the Franjieh-Assad communique meant the Syrian guarantee on the question of *commando presence here is* balanced by the Christian consent to give up their privileged position in power

Louis Fares reports from Damascus: President Assad conferred this afternoon with members of the PLO executive committee.

According to informed sources said Mr. Assad briefed the Palestinian leaders about the agreement reached between him and Mr. Franjieh. Informants said Mr. Assad insisted at the meeting that all parties involved in the Lebanese crisis, including the PLO should abide by the provisions of the Cairo agreement.

Editorial comment Page 10

;id to close Israeli Cabinet rift

L. DANIEL TEL AVIV, Feb. 8.

TERMINED bid is being by the Labour Party hip to prevent the s of the "senior Israeli " in Washington last laiming that Israel's arms ts had been exaggerated ntained too many gadgets, developing into an open between Prime Minister Rabin and Defence r Peres. The senior is generally held to be himself.

eres himself has refrained from reacting publicly incident but it is thought ed the issue at to-day's t meeting which lasted eight hours.

He is likely to have pointed out, inter alia, that it was the Americans who asked Israel to indicate their long-term requirements of sophisticated equipment in addition to this immediate need.

Most of the Cabinet session was devoted to the points of agreement reached by Premier Rabin with the U.S. Administration, which have been overshadowed by the incident of the unfortunate remarks of the "senior officials." These points reportedly include agreement that the time for interim agreements is past and that any future pacts between Israel and the Arab countries must be peace treaties or something very near that; secondly, that this cannot be achieved by negotiating only with one of the countries (as happened with the second interim agreement with Egypt which resulted in considerable pressure on and criticism of Cairo by the other Arab countries), but with all three of them—Egypt, Syria and Jordan; and thirdly, that the question of the West Bank must be solved in talks with Israel's position that there is no room for a PLO-dominated or any other form of third state on the West Bank.

adical trade charter agreed in Manila

OUR OWN CORRESPONDENT MANILA, Feb. 8.

INISTERIAL meeting of oup of 77, which moved through the week due to ural breakdowns and basic ements on certain issues, yesterday with the n of the Manila Charter programme of action.

e documents will serve as *nes on the stand of the* during the Fourth United Conference on Trade velopment (UNCTAD) in in May. The Manila Charter lists problems and objectives of the Third World, while the programme of action spells out the measures by which these objectives may be attained.

The charter declares that it is urgent to bring about radical changes in international economic conditions which have seriously *affected the economies of all* developing countries.

The declaration states that these changes should "erase the inequitable economic structures imposed on the developing countries, principally through the exploitation and marketing of their natural resources and wealth." It also says the group will make "full use of its bargaining power" to achieve its specific objectives in international trade, money and finance, technology, co-operation among developing countries, institutional reforms and world food production.

CDS holds big Lisbon rally

By Paul Ellman

LISBON, Feb. 8.

THE FIRST rally the Portuguese conservative CDS party has held in the Lisbon region for more than a year ended with scuffles and stone-throwing to-night.

The CDS (Social Democratic Centre) called the meeting in the Lisbon bullring to mark the start of its election campaign and as a direct challenge to the extreme Left which broke up the party's last major gathering in the capital in November 1974.

Anonymous leaflets issued in the name of "the anti-Fascist committee" believed to be a front for the revolutionary left Popular Democratic Union (UDP) had called for a counter-demonstration.

Although the counter-demonstration had been declared illegal by the civil governor of the Lisbon region, about 3,000 gathered in the streets around the bullring chanting "reaction will not pass." Heavily armed police made sporadic efforts to drive the Left-wingers away before the rally started, being joined in some cases by stone-throwing youths who followed the chase down surrounding streets.

During the rally, the packed bullring, which holds an estimated 15,000, heard speeches from top CDS figures, including General Galvao de Melo and the party's leader, Professor Freitas do Amaral. General Galvao de Melo, in a clear bid to capture the votes of refugees from Angola and Mozambique denounced the failure of "decolonisation" in Africa, proclaiming at one point: "With the return of the Portuguese to Africa, peace would be possible."

Professor Freitas do Amaral, who enjoys close personal ties with Britain's Tory leadership, denounced successive Governments for bringing Portugal to "ruin" since the coup of April 25, 1974.

Meanwhile, the Socialist leader, Dr. Mario Soares, kicked off his own party's election warm-up campaign with a formal denial that he would agree to alliances with other parties. Dr. Soares denounced the Communist Party as having failed so far to learn the rules of democracy while the Popular Democrats, he said, were veering too far to the Right to be acceptable bedfellows.

On the Presidency, Dr. Soares said this should be in the hands of a military man, but declined to suggest a candidate his party might support. The Socialist *leader* also called for the Presidential election to be held at least six months after the legislative elections expected to take place this spring.

Soviet criticism rejected by French Communist Congress

BY ROBERT MAUTHNER PARIS, Feb. 8.

THE FRENCH Communist Party this week-end gave full backing to the independent and liberal line announced by its leader, M. Georges Marchais, at the beginning of the Party's 22nd Congress earlier this week, in spite of the criticism it has provoked in the Soviet Union and other Eastern European countries.

By unanimously adopting a policy document which defines a specifically French path to socialism—"socialism in French colours," in the words of M. *Marchais*—the *Party has thus* underlined its desire to break away from the tutelage of Moscow.

The emphasis which has been put throughout the Congress on independence, and the Party's support for democratic liberties such as free elections and freedom of expression, to say nothing of the resolution adopted to-day dropping the sacred Marxist-Leninist principle of "the dictatorship of the prolitariat" from the Party's statutes, has already drawn the fire of the orthodox Communist establishment.

No less a person than Mr. Andrei Kirilenko, the leader of the Soviet delegation to the Congress, and believed by many observers to be Mr. Brezhnev's heir-apparent, went out of his way at a Communist meeting in a Paris suburb yesterday to administer a thinly-veiled rebuke to the French Communist Party.

The official Soviet Tass news agency to-day reported that the French Communist Party had changed the section of its statutes about the "dictatorship of the proletariat," but not that it had dropped it as a goal. Reuter.

"All the rumpus kicked up in Western countries about human rights in the socialist countries is aimed at throwing the progressive forces into disarray," he said, adding for good measure that anti-Sovietism, from whatever direction it came, was a crime against the working class.

His admonition, however, caused hardly a ripple at the Congress, where M. Marchais, in his closing speech, coolly countered any attempt by others to lay down the law to the French Communist Party with the statement: "We will not accept any lessons from anyone."

M. Marchais, who was unanimously re-elected as the Party's Secretary-General, went even further than this. After stressing "the originality of French Communism," he called upon the Party members to abandon the traditional raised fist salute in favour of the outstretched hand—as more in keeping with the Party's new image.

Returning once again to the scene of the more broadly-based Communist Party, which should strive to appeal to a much wider spectrum of society than hitherto, M. Marchais said: "We are the Party of the outstretched hand. The Communists extend their hands not only to fellow workers, but to the Catholics, the Socialists and, naturally, the Gaullists, when they defend France's national independence."

Franc parity concerns bankers

BY RUPERT CORNWELL PARIS, Feb. 8.

ITALY'S precarious financial position and growing doubts over the present parity between the French franc and the D-mark provide a disturbing backdrop for the meeting of Central Bank governors which begins in Basle to-morrow.

Their talks coincide with the first bout of serious unrest for some six months in European currency markets. Finance Ministry figures issued here this week-end show that supporting the franc cost $440m. last month.

The official reserve statistics, however, make no mention of the unwinding of dollar credits to commercial banks, and it is generally believed that Bank of France intervention against both the dollar and the D-mark totals around $1bn. for the three weeks since the Italian exchange crisis blew up.

This, of course, is small beer when set against reserves of $22bn.—counting gold at its free market price—but if the market feeling that the franc is over-valued persists, President Giscard d'Estaing could soon be facing some awkward choices.

On past precedent, experts here consider the most likely options either renewed French borrowing abroad or tighter exchange controls, coupled with a clamp-down on wages and prices at home. Should, however, present forecasts prove correct, and France swings back into substantial deficit on its foreign trade, and suffers inflation twice that of Germany in 1976, then a parity change might become the only answer.

In Basle the governors are more likely to concentrate on how to boost Italy's depleted currency reserves, which stand at only $591m. The possibilities include use of existing swap lines, aid from the EEC, and most probably, the re-drawing by Rome of the $500m. it has already repaid out of the $2bn. gold-backed loan from Germany in 1974.

Greek entry tops EEC ministers' agenda

BY REGINALD DALE BRUSSELS, Feb. 8.

THE NINE'S Foreign Ministers are to-morrow expected to hold their first serious discussion of Greece's bid for EEC membership, in the wake of the Brussels Commission recommendation that Greek entry be put off until the country's economy has been brought more closely into line with those of the existing member states.

A number of countries, including the U.K., are likely to argue that the Commission's proposal for an unspecified period of "pre-membership" is too cautious, but no final conclusion will be reached.

The preliminary discussion on Greece comes against a background of mounting pressure from Athens on the Nine Governments to disown the Commission's recommendations, published at the end of last month.

Following vigorous protests from the Greek Government, Mr. John Pesmazoglou, president of the EEC-Greece Parliamentary Committee, called a Press conference in Brussels at the week-end to refute the Commission's arguments.

Mr. Pesmazoglu accused the Commission of betraying the Community's fundamental principles in recommending postponement of Greek entry. He challenged the Commission's pessimistic assessment of the Greek economy and claimed it was primarily up to Greece, not the Commission, to decide how the country should adapt to EEC membership.

Carter tops Oklahoma caucus poll

By Jurek Martin, U.S. Editor

WASHINGTON, Feb. 8.

MR. JIMMY Carter, the former Governor of Georgia has again showed strength in the Democratic Presidential nomination contest. In the first of the series of state caucuses in Oklahoma held yesterday, he won a slight lead over the local contender, former Senator Fred Harris, with George Wallace from Alabama and Lloyd Bentsen from Texas further back.

The uncommitted vote, amounting *to about one-third*, was the largest single category, indicating yet again, indecision among Democratic voters. Though Mr. Carter has done well in three of the first four State caucuses, neither he nor anybody else has laid to rest the theory that the party might ultimately turn to one of its elder statemen, such as Senator Hubert Humphrey from Minnesota.

There are two reasons why Mr. Carter should feel satisfied with the Oklahoma result: he ran Fred Harris level on the latter's home ground and, more importantly, he beat Governor Wallace handily in a southern border State.

Meanwhile, on the Republican side President Ford kicked his election effort on the way with a week-end of campaigning in New Hampshire, site of the first proper Presidential primary on February 24.

Oslo 'impatient' with Britain for cod talks

Financial Times Reporter

WITH the dispute between Britain and Iceland on cod fishing still unresolved there looms in the background a confrontation with Norway over the U.K.'s other major source of cod in the North East Arctic—the White Sea.

According to the British Trawlers' Federation, Norway—which has "definite proposals" for continued British fishing on the White Sea grounds when 200-mile limits are introduced—is becoming impatient with British Government "delaying" tactics and is threatening unilateral measures.

Britain called off a meeting with Norway last month and Mr. Jens Evensen, the Norwegian Minister with special responsibilities for the United Nations Law of the Sea Conference and the negotiation of Norway's 200-mile limits proposals, has expressed increasing concern over the U.K. Government's failure to set a new date for talks.

The Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● PROCESSING

Reactor vessel made in U.K.

FOR THE first time in Britain, a large reaction vessel has been succesfully fabricated as a commercial operation from titanium-clad mild steel.

The exploded-on titanium hybrid was put through a novel welding procedure by Special Metals (Fabrication), part of the Thermal Syndicate Group and the significance of its achievement is that now major chemical and other manufacturers in Britain will be able to obtain their titanium-skinned vessels locally rather than importing them.

Intended for International Nickel, the reaction vessel is of 150 gallon capacity and 3 feet in diameter by 4 feet in height. With a standard steam-jacket exterior it has a 2 mm. thick titanium lining.

This lining is intimately attached to the 25mm steel plate of which the vessel is made by an explosive process. It is, in fact, Kelomet clad plate supplied by ICI Nobel Explosives.

The process is such that the layer applied by it forms a virtually continuous material with the base, there is interlocking virtually at molecular level, which cannot be achieved by rolling-on processes.

Special Metals cuts away the steel prior to welding the reactive metal and then restores the support backing.

One important result is that vessels made in this way can be used in vacuum processes, not possible with vessels having loose linings of titanium or other high corrosion resistant materials. The risk of cracking or breaking always present when glass-lined vessels are used is also avoided.

Further details from Special Metals at Southend-on-Sea (0702) 545861.

Fine finish on carbide

FAST SPARK machining of tungsten carbide down to fine finishes with no surface cracks has been achieved by Linderfort, of Water Eaton Industrial Estate, Bletchley, Milton Keynes.

For the past two years the major research and development effort of this company has been concentrated on increasing erosion speeds and obtaining a fine finish with a high degree of accuracy such as that required in the production of wire drawing and compacting dies and forms in tungsten carbides.

Machining speeds recently achieved are in some cases in excess of 20 times speeds previously obtained.

The company markets a complete machine for carbides and supplies conversion kits for existing machines comprising the conversion of existing console units. It also specialises in the conversinon of existing conventional machine tools to use its process.

Linderfort operates from Barton Road, Water Eaton Industrial Estate, Bletchley, Bucks. Bletchley 73515.

● SAFETY

Finds the important leaks

EDWARDS HIGH VACUUM LT 112 leak detectors are proving to be money savers on a large scale, particularly in the maintenance of process plant and pipework in remote or inaccessible areas.

LT 112 can detect leaks in vacuum or over-pressure situations. In over-pressure a "sniffer" probe can be coupled to the detector unit and used to locate minute quantities of escaping gas, which may be a gas normally used in the system, or a search gas specially introduced. The unit's mass spectrometer detects the search gas, which is usually helium although other gases such as hydrogen or argon can be used. The response time is only a few seconds, therefore large areas can be "swept" in a short time.

Phillips Petroleum Company, Norway, at the Ekofisk Centre, largest oil complex in the North Sea, recently used on LT 112 when a leak developed in one of two high-pressure gas coolers used for re-injection of gas to the field. A failure of this kind can involve shutting down part of the plant at a daily dollar cost which could be well into six figures.

The problem of locating a leak in this situation is best expressed by means of a description of the gas cooler. It is a 30-feet long casing containing 594 tubes welded to drilled plates at each end. A leak might thus be in any of over a thousand welded tube ends, or anywhere in a total of nearly 6,000 yards of tube.

The gas cooler was pressurised with a 50 per cent. helium/nitrogen gas mixture, since both these gases are readily available on the rig. A sniffer probe was then used with the LT 112 to check each weld and each tube individually. By this method leaks were located in the unit, and the entire diagnostic operation was completed in about 30 hours.

Alternative methods would have had major disadvantages. Pressurising the cooler with air and using a soap solution would be less sensitive, not entirely reliable, and would have produced considerable problems in cleaning of the system afterwards.

Halogen leak testing might have been used. However, halogens are much slower to disperse in the atmosphere than helium. Since the leak detector depends on comparing the search gas with a reference gas, which is usually the atmosphere, the progressive build-up of halogens as a "background" in the vicinity of the plant would make the system less and less sensitive as time elapsed.

Both would, in any case, have taken several days to complete, involving a completely unacceptable cost in shut-down time.

Further details from Edwards High Vacuum, Manor Royal, Crawley, West Sussex, RH10 2LW (0293 28844).

Paint that resists fire

FIRE RETARDANT paints made with Goodyear Pliolite resins help protect combustible items, such as partitions and doors, through their intumescent qualities. This means that in the event of a fire, instead of bursting into flame, the coating bubbles and foams in the heat, forming an insulation barrier which protects the combustible substrate.

The company says progress has been made in improving the aesthetic quality and service of Pliolite-based coatings so that they now have true paint properties. The coatings can be in a wide variety of colours, and can be easily applied with brush, roller or spray. They are stated to be durable and washable.

Although the resins are known to U.K. paint manufacturers, Goodyear says there has been no real move to take advantage of the safety they offer. The company's Chemical Products Division is at 9 Cheam Court, Station Way, Cheam, Surrey (01-643 4812).

● HANDLING

Compactor runs from a power point

HEAVY-DUTY and mobile a compactor that will reduce refuse in a ratio of 15 to one at the point of collection—depending on the type of materials handled—significantly reduces materials handling, waste storage requirements and removal costs.

Precision PR-15 compactor allows users closely to control the weight and volume of the compacted waste as an indicator light flashes when the appropriate levels are achieved. An audio warning buzzer and an automatic cut-off are options.

Automatic deodorising is via an assembly that sprays chemicals over the refuse in the compaction chamber to reduce smells and bacteria growth.

Compacted waste is stored in strong polythene bags having a removable stainless steel liner to protect them from being punctured when compacting glass or sharp metal objects.

Pull-out control boards and keyed safety interlocks are provided and operation is from any 240 volt socket. The compaction area can be washed, or steam cleaned, without adversely affecting the electrical or hydraulic systems.

Shernfold Precision Compaktors, Shernfold Park, Frant, Tunbridge Wells, Kent TN3 9HH. Frant (089-275) 346.

● COMMUNICATION

Switcher for video

ANY number of camera/video channels can be connected in turn to a single television picture monitor using the SS5 sequential switcher introduced by Crow of Reading.

The basic model deals with five inputs in a repetitive sequence and at a rate adjustable from three to 30 seconds per channel. The channel displayed at any instant is identified by an LED indicator on the front panel. The monitor can be stopped at any channel for its continuous viewing. Any input can be dropped from the sequence by an internal inhibiting switch.

If more than five channels are to be monitored two or more of the units can be interconnected and mounted in the same housing. In process control and security applications the switcher obviates the use of an unnecessarily large number of monitors. More from P.O. Box 36, Reading, RG1 2NB (0734 595025).

● ELECTRONICS

Makes flow readings linear

SQUARE LAW signals obtained from flow transmitters that are measuring the pressure differentials of venturi meters, orifice plates, Dall and pitot tubes can be linearised using a small electronic module from Lee-Dickens of Desborough, Kettering, Northants (0536 760156).

Input signals of 0 to 10 mA (500 ohms) and 4 to 20 mA (350 ohms) are accepted by this square root extractor which is known as the E block. It is essentially a precision function generator employing a transconductance computing microcircuit in which the input is divided by the output.

Outputs are at the same level and accuracy is ± 0.1 per cent. at 100 per cent. of the output span dropping to ±0.4 per cent. at 10 per cent. of span. Operation is from mains of 24 V DC with an inverter. Consumption does not exceed about three watts.

Bonds die to package

EUTECTIC semi-conductor die bonder designed and assembled in the U.K. has been announced by Dage Intersem. It has the advantage that the company is able to alter designs during manufacture to incorporate customers' requirements.

After the chip is picked up in the die collet, a table traverse mechanism brings it immediately to the die attach position where it is "scrubbed" on to the package.

Amplitude, frequency, and duration of the scrubbing motion are independently controlled, and as the scrub motion is self-centering consistency in die position is maintained throughout the batch.

The work handling chuck and the tool holder are individually temperature controlled to ensure consistent bonding and there is a blanket gas facility to prevent oxidation. Chucks suitable for use with all common packages for available. Dage Intersem is at 64, High Street, Pinner Middlesex. (01-868 0024.)

● POWER

Tiny supply module

LOW power supply devices in hybrid thick film technology from Racal-Redac can produce 12 volts from lower value DC sources: they measure only 22 x 13 x 13 mm.

Housed in a dual-in-line package, the TF 312 operates from any input voltage between one and 12 V DC and produces a 12 V DC output. Maximum power available is in the range two to 250 milliwatts, depending on the input voltage, with efficiency greater than 50 per cent. over an output power range of 1000 to one for a given input voltage. The unit can be used to provide a regulated 12 V supply from a lead acid battery of terminal voltage 10 to 16 V.

TF 313 is a similar device producing 12 V DC. Full short circuit protection is built in.

Applications include the provision of 12 volts from say, a single mercury cell or from solar cells. More from the company at Newtown, Tewkesbury, Gloucs. (0684 29416).

● CONFERENCES

Industrial robots on display

TO AVOID confusion and for the convenience of delegates, the 6th International Symposium on Industrial Robots and the 3rd Conference on Industrial Robot Technology have been combined to form what is described as the first Joint International Industrial Robots Conference.

To be held at Nottingham University on March 24-26, it is organised and sponsored by the University in conjunction with Birmingham University and International Fluidics Services, Carlton, Bedford MK43 7JS (0234 720479) — the last named will provide more details. Other sponsors are the Institution of Production Engineers, the Institute for Production Automation, Germany, Japan Industrial Robots Association, and the Robot Institute of America.

Already half of the 300 places available have been booked by industrialists from 18 countries. The programme will consist of 40 papers prepared by experts from 14 countries.

There will be an exhibition of industrial robots, several of which will be shown for the first time in the U.K. The display will be open to the public.

According to Prof. W. B. Heginbotham, conference chairman, U.K. industry is not making as much use of this form of automation in manufacturing industries as do major competitors overseas.

● COMPONENTS

High-speed diaphragm valves

QUICK-ACTING, frictionless stainless steel valves, suitable for the petrochemical industry, have been introduced by Alpha Controls, Lisset Road, Stafferton Way Industrial Estate, Maidenhead, Berks., SL6 1AZ (0628 32155).

Operation can be either pneumatic, mechanical or electrical, and 2, 3 and 4-way models are available with full-flow diaphragms and orifices of ½, ¾ and 1-inch diameters, and a choice of BSP, API or NPT threads.

Alpha claims up to 600 counts/minute operating speed for the range, and says the valves will handle any gases, liquids or mixtures that do not attack the nitrile diaphragm of stainless steel body. An alternative diaphragm is made from Du Pont "Viton." Another option is flame-proof to BS 4683 1971, Group IIb.

● DATA PROCESSING

Sorts goods wagons faster

WEST GERMAN Railways recently started operating an electronic data processing system in the Mannheim switchyard. This equipment, which consists of two Siemens process computers, automatically controls the switchyard's marshalling system and helps speed up the car sorting process as well as making it safer and more economical. With its 42 sidings on which the freight cars are automatically made up into new trains according to the various destinations, this system is much larger than the similar facility at the Seelze switchyard near Hanover.

Goods yards are where freight trains are taken apart and the trucks made up into new trains after being sorted according to destination. This is done by moving the trains over a double incline, which is also called a hump. The car rolls by themselves over several points at the foot of the incline and on to the sidings, cars with the same destination all running to the same siding to form a new train.

The two main problems here are ensuring that the right points are moved at the right moment and that the cars roll smoothly into position on the sidings so that they can be re-coupled. They should neither collide nor come to rest too far apart.

The two Siemens process computers at work in the Mannheim switchyard are taking care of these problems. To do the job they first need to know several facts about the incoming cars, and the necessary data is fed to them by Telex after each car has arrived. The computer system uses this information to compile an uncoupling list which serves as a basis for controlling the switches. The system must also be kept constantly informed as the cars go through the uncoupling process so that it can throw the switches at just the right moment. This is taken care of by sensors built into the rails which report each passing car to the computers.

Re-assembling the freight cars on the sidings ready for re-coupling is a much more complex process, and is also carried out fully automatically under computer control. As the cars roll down the incline their length is measured by radar equipment, the axle load is registered by means of resistance strain gauges and the speed is measured at various points. The computers use this information to control the rail brakes located at the foot of the double incline and at the start of the sidings, as well as special advancing systems further on which slowly push each car up to join the others by means of carriers situated between the rails.

The experience gained so far at Mannheim and Seelze has shown that the use of process computers for automatic shunting not only speeds up the process but also permits the cars to be handled more safely and more economically. For example, the 36 stop-block layers previously needed for stopping cars that were moving too fast are no longer required, and there has been a 90 per cent. reduction in damage occurring during the marshalling process.

Inexpensive mark reader

AN additional peripheral device has been announced by Ventek for its Datapoint computer system—the DROI optical mark reader.

Handwritten, computer printed or pre-printed bar marks can be read and the information fed directly to the Datapoint.

Basic reader is manually fed with a single output hopper, although auto feed with twin stackers can be added. Among the features designed to ensure fast and accurate reading are an anti-skew document transport feed to ensure forms are correctly aligned and a two-level data-read check to find invalid marks. More from the company at Station House, Harrow Road, Wembley, Middlesex (01-903 6261).

● PACKAGING

Cuts cost of portion packing

IF A FOOD manufacturer can achieve an annual output of not less than 1m. portion packs per annum, Big Drum Equipment, 56 High Street, Sutton Surrey, (01-643 8233) will supply the packaging machinery at minimum capital cost.

Average capital outlay is said to be £550, to cover the freight from Columbus, Ohio, U.S., duty and installation—after that the customer must buy not less than 1m. containers per annum from Big Drum at a cost ranging from £8 to £20 per 1,000, plus printing.

Called the Cuptrol system, it comprises the packaging machine, a range of containers in ten sizes and a selection of closures printed to the customers' specifications. The stainless steel machine automatically dispenses, fills and hermetically seals individual portion packs of semi-solid or viscous products at rates of up to 240 packs/minute.

Containers are made from high impact styrene, XT polymer, or other compatible plastic materials in sizes from 1½ to 6 oz. Adaptations of the machine can handle most paper containers and, in certain applications, glass containers. Closures are made from a lamination of paper, foil and polyethylene, and re-closer lids are available.

● PRINTING

Re-reeler for short runs

HAVING BEEN unable to find a re-reeler in the trade capable of taking accurate short runs from a jumbo reel, LTSS, 138 Kingsland Road, London, E.2 (01-739 2401), a printing industry trade finishing house, decided to design its own.

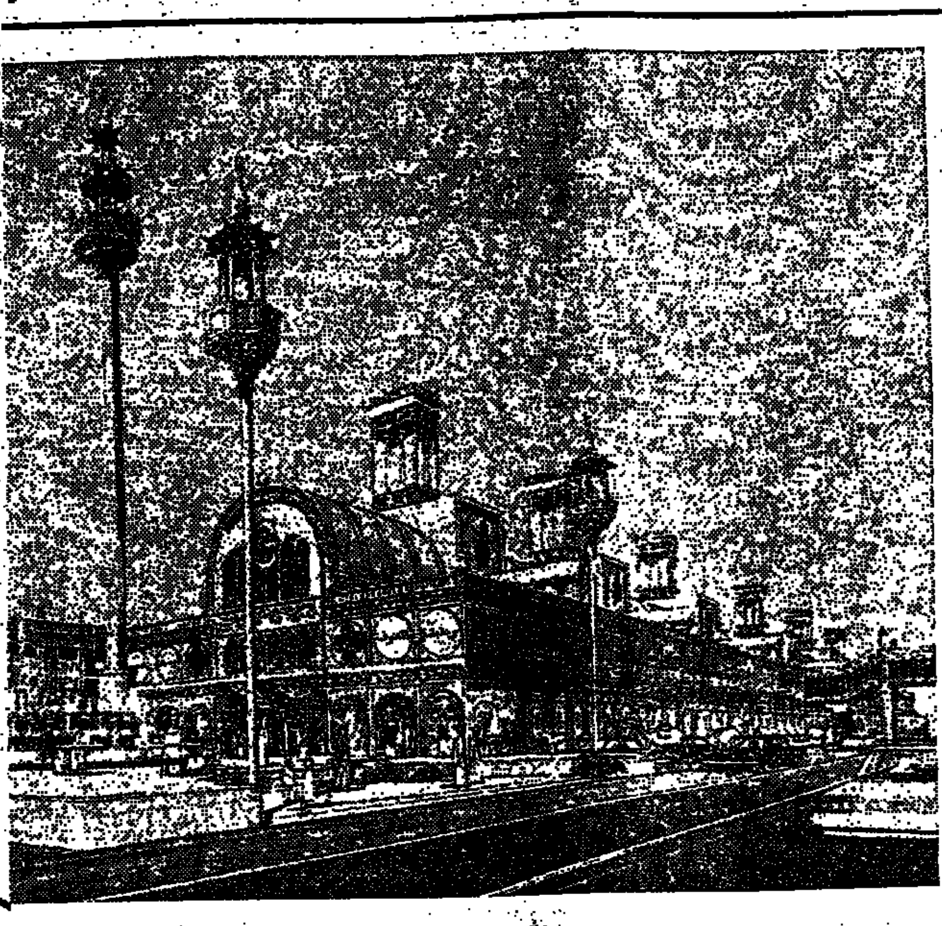
Faced with a substantial contract from HMSO for re-reeling telegram forms, the company has developed a machine which would take the printed production roll and wind exactly 150 forms on to cardboard core tubes. The winding had to be accurately positioned so that the tubes would fit the teleprinter machine.

The unit uses an electronic revolution counter coupled to a braking system. An expanding cone grips the cardboard tube internally, and is swung clear for loading.

The company considers the machine would be suitable for a variety of re-reeling work, such as interleaved forms, pre-printed foil or paper wrappers for automated packaging machinery, adhesive backed paper, etc. It estimates the machine would cost about £3,000 (selling price) and would like to discuss manufacturing possibilities.

CONTRACTS AND TENDERS

Building and Civil Engineering



...uk project to cost £10m.

...BITIOUS and extensive ... centre to be known as ...k has been designed for ... one of the United Arab ... It is to be developed ... Ruler of Sharjah, H.H. Sultan Bin Mohammed ...i, who regards it as one ... major buildings for his ... and it is to be sited on ... Sharjah to Dubai road, ... the road and the Khalid ...

Young and Partners Sharjah are the appointed consulting engineers and the consultant architects are Associated Continental Architects.

It was a specific condition of the brief that the architect should follow classical Arab design, adhering to traditional Moslem decorations.

The buildings, eight in all, on both sides of the lagoon road, will contain a total of approximately 600 shops, including shopping units on the foot bridges linking the two sides. They will be of reinforced concrete decorated with carved gypsum plaster and this, together with mosaic, marble, terrazzo and specially designed tiles, should produce a typical Moslem effect. The large vaulted malls will be ventilated and cooled by traditional wind towers which are a specific feature of that part of the Arabian Gulf area.

Tenders are being prepared by nine international contractors but it is anticipated that the cost will be in the region of £10m. and work should start in April or May this year.

Housing in the West

SELLECK Nicholls Williams (ECC), the building division of the English China Clays Group of Companies has two design and build contracts together worth over £1.6m. One order is for 116 houses and flats for the North Cornwall District Council in Bodmin, and the other order for 74 houses and flats in Newbury for the Newbury District Council.

The Bodmin scheme covers 94 two storey houses in the SNW MeTraTim system and 22 two storey flats constructed in the SNW MeTra system. The houses will be faced in brickwork and Supradur cladding, the flats fully clad in brickwork and all dwellings will be heated by electric ceiling heating. The contract (including ancillary works) will be completed by the spring of 1977.

At Newbury the company is to start work on building 74 homes in a scheme comprising 38 two-storey houses and 36 two-storey flats in the SNW MeTra system. All elevations are to be fully brick clad and the scheme with all ancillary works will be completed by the spring of 1977.

Big block of factories

CONTRACTS worth nearly £2m. have been secured by S. W. Clarke (Contractors), construction company of the Clarke Group.

The first, valued at £1.2m., is to build 30 factories in 12 months for Redditch Development Corporation. Part of Moons Moat North industrial estate, the units will have a combined floor area of 150,000 square feet. Up to £190,000 worth of work will be completed each month, to achieve the target completion date of February, 1977.

For the City of Birmingham, 45 local authority dwellings are to be built at Salford Park. Worth £400,000 the project starts in February, for completion in March, 1977.

A third contract, worth £210,000 is a design and construct package deal for South Derbyshire District Council, to build a 16,000 square foot two-storey office block at Civic Way, Swadlincote. Completion is scheduled for December. Also due for completion in December is a fourth contract, worth £169,000, for the construction of 33 local authority dwellings at Jervoise Avenue, West Bromwich for Sandwell Metropolitan Borough.

Costain in £1.4m. homes job

COSTAIN Homes has a £1.4m. contract for a design and build package scheme at Queens Road, Beeston, Nottingham for Broxtowe District Council.

The site extends to about 6½ acres and Costain Homes has designed and will build 131 units of single bedroom flats in three-storeyed construction and three and four bedroom houses in terraced form. Work has begun and is due for completion in June 1977.

More cans of Courage in Tadcaster

A MODERN canning line, which will fill 16 oz cans with Courage ales at the rate of 1,200 a minute, is to be installed in a new plant being built by John Laing Construction, Yorkshire region, at John Smith's Brewery, Tadcaster.

The plant, being built under a £786,000 contract, is a single-storey structure with an area of 76,000 square feet (6,875 m²) which will contain warehousing and loading facilities as well as the canning line.

The building will have piled foundations with a high matrix of piles beneath the beer-receiving area and engine room. The warehouse section is being constructed on the site of an old rubbish tip, and this land has been additionally treated to ensure that no further settlement occurs.

The steel-framed structure will be clad externally in reconstituted stone to a height of 10 feet (three metres), with metal sheet cladding from this height to roof level. The inner leaf of the external walls will be of facing brickwork, as will all internal cavity walls.

Services add up to £4m.

MATTHEW HALL Mechanical Services has taken contracts to a total of approximately £4m. for the installation of mechanical and electrical building services in a number of new projects.

At Brighton, Sussex, the company is to instal air conditioning, heating, plumbing, electrical and fire protection services in a new office building being constructed for American Express.

Work in London includes air conditioning, heating, plumbing and electrical services at the new Royal Danish Embassy, S.W.1, now being built and at Camden, N.W.1, Matthew Hall will be responsible for the air conditioning, heating and electrical services in a new building, the King's Fund Centre for King Edward's Hospital Fund for London. This will provide offices, residential accommodation and conference facilities.

A further contract, for the installation of air conditioning, heating, plumbing and fire protection services will be carried out at Crown Life House, Woking, Surrey, new U.K. Headquarters for the Crown Life Insurance Company.

In housing, the company has contracts at Tredegar Road, London, E.3, for the installation of heating and domestic water services to 518 dwellings forming part of a district heating scheme for the London Borough of Tower Hamlets. Work here will include the provision of a complete boiler house and controls which will supply heat to a scheme of some 1,500 dwellings.

At Green Man Lane, Ealing, London, W.13 heating and domestic hot water services will be installed in 86 dwellings and 88 old people's flats to be erected for the London Borough of Ealing.

A3 works ahead of schedule

AHEAD of schedule, Cementation Construction has completed major road improvements to the A3 London to Portsmouth trunk road in Surrey, under two adjoining contracts worth approximately £5.5m. awarded by Surrey County Council, acting as agents for the Department of the Environment. The contracts were for dualling the existing carriageway between Cobham and Ripley and a new by-pass to Ripley, some 9 km. north east of Guildford.

Next Thursday, February 12, the by-pass will be opened to traffic three months in advance. This, together with the dualling contract, provides 11 km. of continuous dual carriageway which will permit swifter through-traffic from London to the south coast.

Work on both contracts started in May 1974 and despite the fact that exceptionally bad weather conditions meant that Cementation was unable to complete any substantial items of road construction between the end of August 1974 and the beginning of May 1975, good progress was subsequently achieved enabling the dualling to be completed earlier this year within the contract period of sixteen months.

The major contract for the by-pass, consists of 5.5km. of dual three-lane carriageways to the south east of Ripley and includes three overbridges, two underbridges, three culverts, substantial earthworks, drainage, site clearance, fencing and retaining walls.

Hartlepool A-plant vessel

PRESTRESSING of the first concrete reactor pressure vessel at Hartlepool nuclear power station has been completed by Taylor Woodrow Construction, three and a-half weeks ahead of the 20-week schedule. Hoop tendons were placed by a wire winding system designed and developed by Taylor Woodrow as part of a detailed programme for the pressure vessel construction.

Winding on the second reactor at Hartlepool is scheduled to begin in July coinciding with winding on the first of the reactors at Heysham. All four wire-winding machines will then be in action together.

Each vessel has 20 channels containing 33 layers of 120-119 turns of wire, a total of approximately 4,000 turns per channel. The ultimate capacity of each band is 13,500 tons which is more than 10 times the ultimate capacity of the largest existing linear tendons of 1,000-1,100 tons. The wire being used is 0.2-inch (5.06mm) diameter with an ultimate tensile strength of 110 tons per square inch (1,720 MN/m²) and is being laid on at 70 per cent. specified characteristic strength. Winding speed is 7 feet per second (2.1m/sec.) and stressing load is 5,420 lbs (24KN).

Meanwhile, contracts valued at £1¼m. have been won by Taylor Woodrow Construction (Northern) from the Northumbrian Water Authority, for the construction of an intake and pumping station on the River Tees at Blackwell, and for sewerage through the town and extensions to the existing treatment works at Barnard Castle, Co. Durham.

...mac in ...n. work homes

...an a month after being ... Tarmac Construction ...t Housing has begun work ...0,000 house building con... Crewe.

... development of 68 units ...varded by Crewe and ...h Borough Council, and ...of three to be started by ...ly formed unit on behalf ...l authorities for whom ... Homes carried out ...isation contracts.

...w Hill, Wolverhampton, ...as begun on a £280,000 ... to improve 58 houses for ...ampton Borough Council, ...rby Dudley Council has ... a £260,000 contract with ... to carry out limited ...ments on 148 of its older ... in the Wrens Nest area. ...nite, the Waltham Abbey based Tarmac Group company, is to build a new £1¼m. manufacturing plant for its bitumen polymer and pitch polymer sheet products. A 10,000-square-foot building is to be erected on the company's six-acre complex at Hertford by the London and South Eastern Division of Tarmac Construction. It will be fitted out with the most modern plant specially adapted and assembled to meet the mixing, milling and calendering requirements of Permanite. Knight Wegenstein have been retained by Permanite as specialist consultants.

Bovis wins £2.2m. store

LITTLEWOODS has awarded Bovis Construction the building contract for a 6,800 sq. m. store to be erected between King Street and Blacks Road, Hammersmith. The contract, which includes fitting out, is valued at approximately £2.2m.

The store will offer three floors of retail trading connected by escalators. Provision is also being made for an elevated walk-way, which, at a future date, will link the building to the St. Martin's shopping complex. Main building works will take 82 weeks to complete and the store is to begin trading in the late summer of 1977.

Structurally, the building will comprise a basement six metres deep, a structural steel frame, encased in insitu concrete and fire-proof cladding.

£14.5m. work on by-pass roads

DOWSETT Engineering Construction has taken an £8.8m. contract to construct the 11.5 kilometre A.61 Ripley-Swanwick-Alfreton by-pass in Derybshire. The by-pass runs southwards from the existing A.615 Alfreton interchange to Holbrook on the A.61 and includes a grade separated interchange at the A.610.

The work will start early this month and take two years to complete. Earthworks will involve the excavation of approximately 2.1m. cubic metres of material including 1.3m. of rock and the disposal of 0.3m. cubic metres of surplus. Also included is the recovery of approximately 70,000 tons of coal which lies within the excavation area.

Seven major road bridges are to be constructed, also one railway bridge, one pipe aqueduct and four other minor road bridges.

The work is for the D.o.E., Midland Road Construction Unit, and the engineer is Sir Owen Williams and Partners.

Further north, a £5.7m. contract to build the four-kilometre Elland By-pass (the Keighley-Huddersfield-Rotherham County Road A.629) from West Yorkshire Metropolitan County Council has gone to A. Monk and Company.

The by-pass, with dual carriageways, will start at the M62 motorway at the Ainleys, rejoining the A629 north-west of Elland at Elland Wood Bottom. It will incoporate an interchange system for links to the town centre of Elland and Elland Lane and associated slip roads. The project includes six overbridges, one footbridge and a subway.

IN BRIEF

● A new leaflet describing the TRADA Home Unit System (THUS) has been produced by the Timber Research and Development Association (TRADA). THUS is a completely factory-finished system including internal fittings. A typical four-person two-storey house can be erected in only a few hours. A full-page specification in the leaflet describes in detail the parts and fittings, with photos showing internal and external views: (0240-24 3091.)

● Contracts at Doncaster and Hull on Humberside worth approximately £320,000 have been awarded to Cementation Construction. For £285,000 the company is to reconstruct Underline Bridge No. 1 at Doncaster for British Rail Eastern Region. The works consist of the demolition of the existing steel and timber bridge and its replacement by a steel and concrete structure on new piled foundations.

● Thermoplastics pipes and fittings group of the British Plastics Federation has completed work on defining performance parameters for plastics materials to be used in hot and cold water applications. The Guide details those requirements currently deemed necessary to demonstrate the suitability of thermoplastics pipe systems for hot and cold water usage. (01-734 2041.)

● As part of a catering hygiene service, Wellcome Industrial (Wellcome Foundation) will clean extract systems and trunking as well as all catering equipment. Preparing food on a large scale causes a steady build-up of grease and carbon on walls and equipment, not only presenting infection risk, but also creating a serious fire hazard. Wellcome's operatives—working at night to cause least possible disruption to kitchen staff—are able to refurbish an entire trunking system and eliminate breeding grounds for insects and remove potential fire hazards.

● A range of structural steel frames by Tyler Mouldings, Sovereign Close, Tonbridge, Kent TN9 1RP (Tonbridge 66566), is for industrial and agricultural buildings and can be supplied in single- or multi-span configurations to suit requirements.

● Sindall Group, Cambridge, has obtained two contracts on which work has started. One is for a central library at Wood Green for the London Borough of Haringey worth £1,462,000, and the other for the demolition and reconstruction of central premises for the Norwich Co-operative Society valued at about £650,000.

● Shepherd Engineering Services has been awarded contracts worth £1,077,212, a substantial part of which includes projects let on a design/build basis and a number of negotiated contracts, in addition to those won in competition. The largest are at Woughton Green Health Centre (Oxford) and at York for Portakabin.

● David Charles Construction (Midlands) has started work in Coventry on a £2½m., 18-storey office block for the Royal Insurance Company, incorporating a five-storey car park. The project is scheduled for completion in January 1978.

● A contract valued at more than £260,000 to erect a new dry terminal at the petrol and oil storage terminal at Buncefield, Hertfordshire, has been placed with Walter Lawrence and Son by BP Oil Ltd. It involves the construction of a new single storey office built of "Forticrete" bathstone concrete masonry blocks.

● Ibstock Precast, part of the building products division of the Ibstock Johnsen group, is supplying a £200,000 contract for 1,800 precast cladding panels in the second phase of the four phase Leicester Royal Infirmary development. Phases three and four are at present at the planning stage.

● Comfort Systems, part of the Babcock and Wilcox group, has been awarded three contracts totalling more than £1m. The largest, worth £460,000, is for the improvement of 40 dwellings in south-east London, for the Borough of Southwark. Another is for the installation of full central heating in 623 dwellings for Peterlee Development Corporation and is valued at more than £314,000. The third contract involves the modernisation of 46 dwellings at a cost of £232,000 for Stockton-on-Tees Borough Council.

● D. T. Bullock and Co. has a £1.1m. contract for a new housing contract at Amington, near Tamworth, Staffs. It is being carried out for the Staffordshire-based Normid Housing Society and involves the construction of an estate of 121 traditional style houses and two- and three-storey flats. It also includes the provision of the accompanying roads and site works.

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MONDAY, FEBRUARY 9, 1976

The right to work

THE PUBLICATION last week of the findings of an industrial tribunal on the case of the Ferrybridge Six did not, in the end, turn out to be a victory for either the supporters or the opponents of the closed shop. The tribunal did, indeed, award the six electricity supply workers (who had been dismissed for not belonging to one of the "recognised" unions) compensation for their dismissal. But it did not reinstate them in their jobs—this is an issue which may go to appeal—and the award of compensation was based mainly on technical points about the way in which the closed shop was operated. Whether or not the men had "reasonable grounds" for refusing to belong to one of the recognised unions is a point on which the chairman of the tribunal preferred to keep its views concealed in an envelope, possibly until the question of appeal arose.

It is not difficult to sympathise with his embarrassment. At present—thanks to a Conservative amendment to Labour's Trade Unions and Labour Relations Act—such "reasonable grounds" justify a refusal to belong to a recognised union and can form the grounds for a claim of unfair dismissal if the employer enforces by dismissal his acceptance of a closed shop. But the Amendment Bill which the Government is now attempting to push through, and which will be considered in the Lords this week, will remove this ground for refusing to join and replace it with a much narrower ground of objection on religious grounds.

Wider principle

Much of the discussion of this Bill, both in the Press and outside it, has concentrated on the effect which the establishment of a closed shop in journalism might have on freedom of expression—a danger which Mr. Michael Foot argues can be met through the establishment of a code of good practice either voluntarily negotiated between union and proprietors or, failing that, drawn up by the Secretary of State himself. But the Ferrybridge case, whatever its particular circumstances, is a reminder of the fact that there is a much wider principle involved. It is true that closed shops were permitted and existed before the industrial legislation of the Conservative Goverment and that Mr. Foot is restoring the status quo—with the not insignificant addition that dismissal because of a refusal to join a recognised union in a closed shop will not be wrongful and therefore a possible ground for compensation.

But two things have happened in the meantime. In the first place, many existing unions were so irritated by the Conservative legislation that they are much less likely than in the past to tolerate minority unions or allow those already in a job to stay out of the union when a closed shop is established. Whether or not a closed shop is established is, of course, a matter for negotiation with individual employers. But many employers favour the system as making (at least in theory) for smoother industrial relations, and at present unions representing 3m. workers are seeking to negotiate closed shop arrangements in anticipation of the new legislation.

Professional workers

In the second place, partly as a result of inflation and pay restraint, trade unionism is spreading to new groups of professional workers and higher up the managerial scale. In some cases, this will lead to disputes between large existing unions and unions of professional workers for recognition. When professional workers join an existing union either voluntarily or under duress, however, the potential conflict of interest between loyalty to union instructions and responsibility to the company and the general public is likely to be more acute than in the case of manual workers. The risk of being dismissed from one's job without compensation for refusing to carry out a union instruction which goes against one's conscience may then come to seem monstrously unfair. If we are to permit closed shops in the interest of smooth industrial relations, in short, we also need to do some hard thinking about the conditions under which they should be operated. It is not only journalists and newspapers who, for the ultimate sake of the consumer, need better protection than Mr. Foot offers.

Better auguries in the Lebanon

AGAINST all odds, and despite sporadic outbreaks of violence, it now looks as though there is some possibility that peace may be restored to the Lebanon. The main protagonists in the intercommunal fighting between Christians and Moslems, which has created such havoc over the past ten months, have reached agreement on the broad lines of a political settlement; the settlement has been endorsed by Syria, the only outside power capable of exerting a significant influence on Lebanese affairs; and this week President Franjieh is expected to announce the details of a constitutional reform which will redistribute political power and governmental jobs more fairly between Christians and Moslems.

Precondition

Such a redistribution is obviously a precondition for the restoration of any kind of durable peace. For too long Lebanese politics have been organised on the premise that the Christians are a majority of the population, whereas in fact they are now slightly outnumbered by the Moslems. It is clearly essential, if Lebanon is to move back from civil war to the give and take of political processes, that these processes should be a reasonable reflection of the real balance of power between the communities.

Equally clearly, however, a constitutional reform will not by itself guarantee a durable peace. Many Christians believe that it was they who created Lebanon's prosperity, and will resent, and may attempt to prevent, any weakening of their position in the country. Moslems, on the other hand, may feel that their real numerical strength is not sufficiently recognised by a reform which gives equal parliamentary seats to the two communities.

Above all, civil war leaves wounds which cannot be expected to heal quickly, and foments extremist reflexes, especially among those who have the least to lose from violence. A constitutional reform may be a *sine qua non* for peace, but the real requirement is that the two communities should overcome their mutual distrust and dislike, and decide to work together in the rebuilding of their shattered economy.

The role played by the Syrian government in helping to engineer agreement between the warring parties has so far been remarkably moderate and responsible. It has avoided direct intervention, and its diplomacy has worked through the legitimate authorities of the Lebanese state. So far from trying to turn the Lebanon into a Moslem state, it has endorsed a reform which is at least fair, and may on numerical grounds be considered slightly generous, to the Christians. Above all, it has now undertaken to be responsible for enforcing the principles of the Cairo agreement, which were designed to contain the activities of the Palestinians in the Lebanon.

Just how Syria will enforce these principles is one of the crucial points in the Beirut-Damascus agreement which has not so far been spelled out. There is no doubt that the Syrian Government has more influence with the Palestine Liberation Organisation than any other Arab state.

But it may require more than simple influence to control the Palestinians, whose substantial, partly militarised presence has been one of the principal destabilising factors in the Lebanon. It is increasingly recognised that the Palestine question is an essential element in any Middle East settlement: it may also be a critical factor in the search for a settlement inside the Lebanon.

The long-awaited upturn is in sight, according to politicians, recent surveys, and others. But much of industry is still having to grapple with empty order books. **Adrian Hamilton** and **William Keegan** assess the distance left to travel

Signs to watch for on the road to recovery

Mr. Harold Wilson and Mr. Denis Healey: filling banqueting halls with the promise that Britain has tu the corner.

"WELL, now we've determined business confidence for the next few months," said a Confederation of British Industry economist on last week's publication of the Confederation's latest industrial trends survey. He was only half joking. After more than a year of the worst recession since the 1930s, everyone is suddenly tumbling over himself to say that happy days are here again, or at least about to be.

The Chancellor of the Exchequer and the Prime Minister have filled the banqueting halls of the City with the promise that Britain has turned the corner and that the long-awaited upturn in the economy is at last at hand. The various business surveys, from the *Financial Times'* monthly exercise to the London Business School and the CBI trends examinations, have joined in an unusual accord to declare that confidence is at last reviving, that orders are finally coming in to manufacturing companies, and that, even though unemployment trends look as gloomy as ever, an export-led revival now seems on the cards.

Such universal agreement between economists, ministers, and businessmen may raise a cynical eyebrow among those who have seen such promises of better times before, but no one can gainsay them. And just as the politicians are responding to the steadily worsening unemployment situation with steadily rising cries of economic optimism, so businessmen are responding to the depths of the depression of the last six months with a feeling that the smallest sign of upturn is that much more welcome.

Dark end of the tunnel

In broad terms, manufacturing industry and the distribution sector are still at the dark end of the tunnel. The CBI survey, taken through last month, showed that almost eight out of ten companies are working below capacity and that an increased majority of 85 per cent. still expects output to be limited in this quarter because of lack of demand. Orders in hand for most companies in the manufacturing sector still stand at the frighteningly low level of four months' or less. The latest industrial production index, for last November, was barely above the base levels of six years ago, and is unlikely to have shown any dramatic improvement since if other more recent surveys are to be believed. True, the end of last year saw a slight rise in industrial production, but all subsequent indications suggest that this phase of the recession is "double-bottomed" and that the first three months of this year may show no real improvement on the last quarter of 1975.

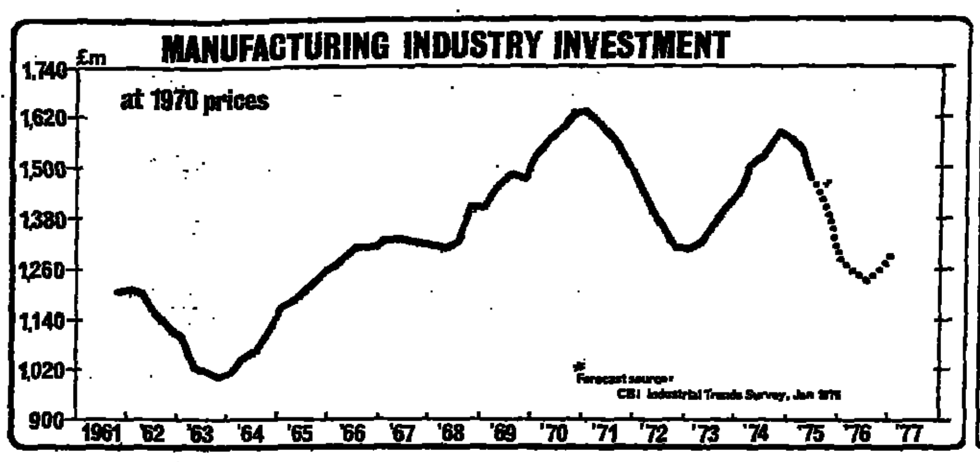
It is all very well for crystal-ball gazers to talk about incipient signs of recovery and the promise of revival later in the year. But for the manufacturer or retailer who is still dealing with to-day and looking at his sales book for this week there is precious little to be happy about.

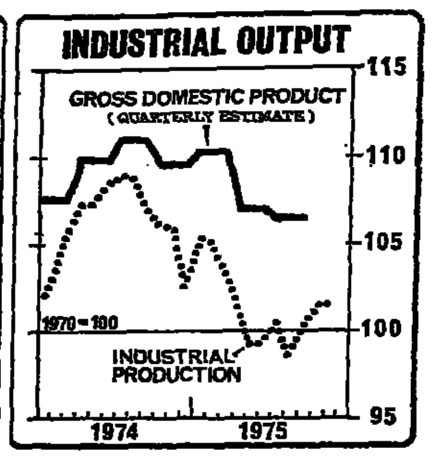
What is at the heart of the discussions in the Treasury and elsewhere now is not so much the degree of suffering being experienced at this moment—of that there is no doubt—but the degree to which business confidence, and with it investment intentions, is reviving, and the extent to which new orders at home and abroad suggest that upturn is at last beginning to become apparent.

Much of this is a question as much of emotion as of fact. But it is none the less important for that. It was the credibility gap between industry and Government as much as the hard facts of corporate finance which aggravated the dramatic decline in investment intentions during 1974/5. And it was, again, as much the failure of business nerve at the sight of 30-35 per cent. inflation rates last year and the presence of price controls which led companies to cut back expenditure and stocks so rapidly in favour of liquidity. The actual availability of bank finance and credit may never have been as bad as it was made out, but the fact that business believed it would be produced the same result.

The important development now is that business does genuinely seem to be becoming more confident. Such a change's significance can hardly be overstated, because, however cyclical the graphs of past economic behaviour may look in retrospect, everything depends on the confidence of decision takers. What these men now see is a situation in which inflation in the U.K. is at last coming under control—not just control, indeed, but actually falling—while reports from other countries such as the U.S., West Germany and France—all of them key export markets—point quite definitely to an upturn.

This has induced a feeling that the business climate has changed for the better, even though the U.K. is lagging behind other countries, and the actual upturn is somewhat delayed. Behind this general diagnosis, there are already some hard facts to suggest that at least the bottom of the recession has been reached, and that in some "lead" sectors—such as the chemical industry—a modest revival is under way.





The facts add up to a picture which is reassuring, if not at this stage totally convincing. First, the period of rapid destocking by British manufacturers appears to have come to an end. This is an assessment of the *general* picture; in the corners there are all sorts of differences, with restocking already appearing in chemicals and some consumer goods industries, a static situation in some intermediate sectors, and further destocking still under way at the heavy end of the engineering industry.

The situation as far as order books are concerned looks appalling from one angle—industry's order books still being very thin. But what has happened on this front is that the decline in orders has stopped in most sectors, and in certain areas the value of new orders is rising. On the basis of all the information available to them, manufacturing companies on the whole believe the slide in production to have stopped; on balance—but admittedly a very slight balance—an increase in output is indicated for the February-May period.

Potentially very significant is the apparent strength of export orders. There is a very strong balance of companies expecting a rise in the volume and value of exports during the first half of this year, especially among consumer goods manufacturers, as the effects of earlier reflation in other economies works through into consumer spending in the countries concerned.

None the less, the overall picture is still patchy, and it has to be remembered that much of the "recovery" evidence is in relation to a very low base. As is to be expected, it is the larger companies, big exporters, and traditional lead sectors such as chemicals which are the ones most frequently expressing optimism—or less pessimism.

There is certainly no sign of an increase in domestic consumer spending—indeed, just the opposite. And companies in the capital goods sector—which (particularly in Scotland and the North) felt the recession late because of the long order books built up in the previous boom—are now in a particularly depressed state. Investment intentions in industries such as steel are brighter for plant and machinery than for new buildings, which fits in with the generally depressed state of the construction industry. Indeed, one large construction company director comments: "The most optimistic thing I can say is that an upturn will not occur until 1977 at the earliest."

The motor industry, which at the heavy end has benefited until recently from orders from OPEC countries and the third world, now predicts some voluntary restocking and a stabilisation of output and demand. Other sectors of engineering, on the other hand, see a further decline in the immediate future.

What is interesting about the overall situation is not that there is a universal expectation of a sudden boom—which there is certainly not—but the indications that British industry is entering, for the first time since the war, a recovery phase which has not been induced by Government action but is being led, albeit gently, by export demand. It is a moot point whether previous recoveries have been spontaneous but obscured by simultaneous official action, or actually caused by Government measures. The key factor is that at this stage in the cycle the Government has always intervened to boost demand, which has taken on a consumer-led flavour.

On this occasion—apart from a temporary jump in consumer spending which lasted days rather than weeks in the January sales—domestic consumer spending has remained depressed, a situation which some believe will persist for some time as real incomes are increasingly squeezed and savings remain relatively high in the face of uncertainty and fears about employment.

Instead, the revival of demand is being led by a combination of export demand and the end of the destocking process. The hope is that restocking will gather speed and companies will begin to invest in new real assets later in the year. This means that the recovery is likely to be slow and gradual in the near future. This hardly alters the view that, with output remaining significantly below productivity growth, unemployment will continue to rise for many months yet. Many economists hope, however, that it will be a more balanced recovery as a result, and one which will induce a sustained revival in industrial investment, starting perhaps in the second half of this year. Investment in 1976 as a whole will still be well down on last year, but the figures from the fourth of 1975 to the fourth qua 1976 should show a increase, on this view.

And even the more economists now belie the Government will achie target of a single figure tion rate by the end o year. But, although it taken that confidence is ing and this year will recovery in output, if ployment, there are major question marks h over it all. One is the company finance. Both stock market and the Tr are showing relative con on this issue. But industr are beginning to report concern over the prospect liquidity as the revival under way, manufacture stock at much higher co capital expenditure p come off the shelf. This have implications for the of the expected recover investment.

Living with lo stock levels

The pace of recovery is dependent on compani tudes towards desirable levels, and consumers' att to savings. There are some believe that this upturn be different in the sense companies will live wi stock levels, while con maintain high savings But we have know beliefs before. Recovery be greatly accelerated if of these disciplines down.

Above all, the current tive signs of a revival activity remain highly vu able to any panic action by Government to reflate a cially. The U.K. may possibly now be on the ver attaining the long-sought g export-led growth, butt by the combination of apparently successful co inflation policy and a f exchange rate. But the unemployment is high, a remains to be seen whether Government and the unio stand the strain.

It is this which is perhaps most fascinating question After nearly a year in w the beginnings of reco have failed to materialise moment at last seems What no one knows for ce is whether the upturn wil qualitatively different from past, or whether Britain is for another suddenly acce ing boom followed by a colla into an even worse infla crisis.

MEN AND MATTERS

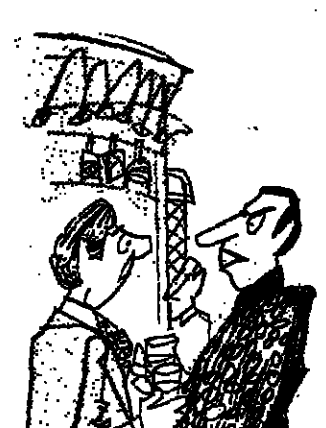
The Newman rebel

Angus Murray, the near 57-year-old Scot who has been the thorn in the side of the Newman Industries Board since last summer when he first announced his opposition to the acquisition by Newman of certain assets of and certain shares in Thomas Poole and Gladstone China, is no stranger to tough industrial situations. Most of his working life has been in the field of company doctoring, and he has some notable successes behind him in that field.

After the war he joined PE Management Consultants, and stayed with them until 1955 when he became chairman of the then ailing Expert Tool group. He brought that back to a profitable and dividend-paying situation, finally solving the cash problems by engineering a takeover bid and in 1962 moved on to become president (effectively managing director) of Standard Pressed Steel's international division, looking after the U.S. group's U.K. and European interests.

In 1970, after a spell in South Africa, he returned to the U.K. and was invited by Ian Morrow (now Sir Ian) to become an industrial adviser to Hambros. He is still a director of Hambros Industrial Management, and it was at Hambros suggestion that he was appointed chief executive of Redman Heenan International in 1971. That again was a rescue situation, having made losses of £1.8m. in 1970-1971. Murray remains chairman of Redman which reported record profits for the financial year to September, 1975.

While he has now been ousted as a non-executive director at Newman his voice, plus the weight of the Prudential Assurance, did succeed in getting an independent assessment of the deals in question. The Pru's involvement has led to some understandable confusion between Murray and Prudential director Angus Murray—who was for many years one of the Pru's two investment managers. They are quite separate individuals, although they are friends.



"They've always been against invisible exports."

Hidden talent

Garfield Todd's U.K. visit has stirred the memory chords of a colleague who was once a junior reporter on the Bulawayo Chronicle when Todd was Rhodesia's Prime Minister. Sitting alone in the semi-darkened sub-editors' room one evening, my friend saw a tall figure silhouetted in the doorway and switched on the light.

The figure turned out to be no less a personage than the Prime Minister himself, on his way to make a political speech, and volunteering its contents for the paper. Overawed, my colleague stammered something like: "Of course, sir. Please hold on while I get a notebook to take it down." Todd replied, urbanely: "No, that's all right. Just give me a typewriter and some carbon paper and I'll knock something out." He did, apparently quite expertly, and then went off to make his speech.

Motor boss

Perhaps the most surprising revelation of the Think Tank's report on the motor industry was the name of the most successful European motor company. Not Mercedes, with its famous engineering, as many might have guessed; nor Peugeot, with its cautious family management; nor Ford, with its fabled efficiency. Measured on return on shareholders' funds of the three years 1970-73, Opel (the General Motors subsidiary in Germany and sister company to Vauxhall in the U.K.) came out tops. It was also first in terms of return on capital invested and in return on trading assets.

The man who headed Opel during those three years was Alex Cunningham, a Bulgarian-born American whose spell at the top saw the company achieve the unthinkable in Germany by toppling Volkswagen from the number one market position. For the last two years Cunningham has been in London directing the quiet revolution in GM's European affairs which has seen the growing integration between Vauxhall and Opel and increasing links with Eastern Europe. But from next March, he moves on yet again to a powerful position as general manager (effectively MD) of the GM overseas operations division, and a seat on the group's powerful central administration committee.

Unlike some big motor company bosses, Cunningham, 50, has a great enthusiasm for cars in themselves (his collection includes a 1946 Bentley) and one of the reasons for his success at Opel was the way he threw himself into improving the product.

Cunningham has also established the reputation as an extremely strong-minded administrator, borne out by the radical decision (resisted within GM for years) to bring Opel and Vauxhall closer together. Some of the Opel magic seemed to rub off on Vauxhall last year with the launch of its successful new Chevette, which owed a great deal to the Opel engineering team. But Cunningham is blunt about the company's prospects. As an optimist, he says, he believes Vauxhall will expand; "But profits have not been made any easier by some of the help some of our competitors have got from the Government."

More signs

Readers continue to send in examples of odd signs seen in shop windows and elsewhere. One contributor affirms that a Brighton ear nose and throat hospital has a sign posted which states "All patients may smoke except during visiting hours"—well you have to look after the healthy I suppose. Another submits a notice hung in a Dublin pub: "Please do not leave this bar while it is in motion," which I assume means something to the Irish at least.

Best so far however is a notice in the window of an Indian restaurant in Cheshire which announces simply, "Food to take away or sit in."

Observer

FINANCIAL TIMES SURVEY

Monday February 9 1976

Industrial Property

There are now expectations of an increase in demand for industrial property during the next year. This could lead to a shortage of good industrial space but is more likely to create a balance between supply and demand.

Demand should pick up

By Quentin Guirdham

:RIAL INVESTMENT includes some expendi- new property. Against apital and labour costs, unts often seem trivial, ge manufacturing con- re notoriously careless s *in property: if hag-* or a better site or a building could mean a up to two months in *in a new production* n a company will often mmediately at a silly worse, take an unsuit- lding.

warehouses, where the function of a business ly tied to the building, as been much improve- design and standards ling over the last de- evertheless, many indus- and also the property ers themselves, admit standard of British in- premises falls well be- of the Continent and ed States.

ble of property in a re- on of British industry accepted to some de- e Government at the 1974 raised the al Building Allowance to 50 per cent. to en- development by owner- s, meaning that half of an approved project set off against Corpora- in the first year. The exemption from the ity Land Act is higher commercial or residen- perty.

Government is also direct in new s, with an advance programme—advance *e Whitehall euphemism* eculative—of roughly normal proportions in isted Areas. With some gional Fund backing for the projects, the aim is both to provide short-term relief on unemployment in the construction industry and to attract long-term jobs.

The extent of the programme has been widely criticised, as has the continuation of a regional factory policy through Industrial Development Certificates at a time when *unemployment has risen sharply in the* traditionally prosperous areas.

Some relaxation of IDC restraints is expected—the Minister responsible has already hinted at this in the House of Commons recently. Combined with the more general pressure from the Greater London Council, worried by the loss of nearly half a million manufacturing jobs from the capital, it looks as if the way, if not the financial will, to redevelop some of the more obsolete factories of the south-east might soon be opened.

Revival

The will to do so, despite *increased interest by local* authorities in developing their own industrial estates, is mainly a private sector responsibility. On the propaganda front, the London Chamber of Commerce has been among those warning that a lack of new factory and warehouse accommodation "could seriously delay an economic upturn. There could be a shortage of between 10m. and 20m. square feet when the revival comes."

In terms of money, the City has shown significant backing. The first announced loan from *Finance for Industry* was, some felt ironically, made to a property developer, Slough Estates. Though the terms of the loan did not specifically tie Slough to investing in U.K. industrial premises, that is where its main activities have lain in the past and FFI's thinking was presumably to ensure good modern buildings being available that would not *require industry to tie up* capital needed for plant and equipment.

Slough's loan, plus a rights issue, was followed by the Royal Insurance entering two long-term funding deals with largely industrial developers on an old-fashioned formula such as office developers can no longer enjoy—Royal putting up the money at fairly low rates in return for equity options.

The rating of industrial specialists such as Slough, Brixton Estate, Percy Bilton and Allnatt London Properties on the Stock Market has similarly shown confidence in portfolios on which there has been a steady increase in rental levels over the past decade which outstrips, following the 1974-5 collapse in values, the previously more spectacular performance of office developers.

This confidence rests, however, on past performance. Most industrial property groups have, inevitably, cut back their development programmes severely in the last year. Official construction figures and private estimates confirm the level of activity.

The disincentives are clear. Figures produced by estate agents King and Co., who *specialise in industrials,* have throughout the last year told the clear story of a growing recession. The amount of empty factory space in England and Wales, they estimate, rose from 23.4m. square feet last March to 38.7m. square feet by December. Empty warehouse space rose from 20.3m. square feet in March to nearly 37m. square feet. Their figure for buildings under construction dropped from 12.4m. square feet to 4.1m. square feet.

These statistics have, like reports on empty office space, been criticised as giving a false impression since they do not isolate the proportion of suitable, which normally means modern, units. (Modernity can be over-emphasised: some recent single-storey buildings have been poorly designed as well as located, while a prime user like Mars has recently *taken another lease on its* elderly, but well maintained factory on the main Slough estate.)

But King's figures, while they exclude units under 5,000 square feet, an area of fairly buoyant demand, do not include anything considered semi-derelict, and clearly have the trend, if not the full detail, right.

The amounts of empty space and the slack demand have shown through in rents rather later than expected. Though there are clearly exceptions, the general rise in rents has been halted. Space being marketed at cut-prices because of liquidity problems or actual receiverships has also been a feature, as have temporary tenancies, either because landlords will not accept the rent levels they can command at present, or because tenants can make no long-term commitments, often needing warehousing only because of an over-stocked position.

These current disincentives to invest in further factory or warehouse building, unless firmly pre-let, are added to some more permanent problems.

There is the fiscal point: many industrial developers favour the coming Development Land Tax rather than the present Development Gains Tax with its associated First Lettings Charge. And on the planning and funding side, the Community Land Act raises a site problem to add to IDCs, zoning regulations, planning restrictions and delays which mean that while building time for industrial units can be measured in months, complete *schemes go well into years.*

Industrial developers have frequently told government that its policies amount to a series of disincentives which will force them to concentrate their efforts abroad. But the politicians have limited priorities in terms of direct action. The further anticipated relaxation on IDCs (there was slight relaxation last year when it was accepted that certificates of up to 10,000 sq. ft. should not be refused except on the intervention of the Secretary of State after consultation with the local authority) will not represent any major change in regional policy. More half-and-half deals may be done with companies wishing to expand, but the basic dispersal of industrial policy is acceptable to both major parties.

So a Government which is already offering what aid it can to the construction industry is unlikely to think in terms of added incentives for property development, even tied to closely-scrutinised industrial plans. So the initial push to re-start industrial development programmes is likely to come from companies bent on further rationalising operations which have frequently been slimmed down to new standards of efficiency during the recession.

The demand for more specialist buildings is hard to reconcile with any developers' or buying institutions' desire for an adaptable product. If quality industrial units are to be built to last 50 years, which is still the prevalent ambition, then something approaching standard units seem the answer.

The sort of 20 ft. high, square building, with the top one-third *of the walls in either window* or asbestos, adequate loading heights and vehicle space, continues to be the least speculative investment. But advances in warehousing mechanics have created a demand for 30 ft. plus buildings on the one hand and some industrial users are now wanting much lower factory units.

Agent Anthony Grant says that: "Whereas previously *there was a great deal of flexi-*bility in requirement as to eaves height, office content, finishes and amenities, this is no longer the case."

The different office space requirements for factory or warehouse users has long been one area of compromise. But the different heights required is less easy to settle.

This winter has emphasised the need for good heating *systems, particularly where pre-*cision machines are being operated. The fuel cost of heating large empty spaces of roof are prohibitive. A requirement for eaves heights as low as 9 ft. has become commoner. Equally, Mr. Grant talks of a growing objection to the solid walls often favoured for security and cost reasons, with natural light provided through translucent sheeting in the roof. Floor coverings and better amenities such as canteens are other points he makes.

These may seems straws in the wind for industry which is coming through a recession with high level of unemployment. But the chance to improve industrial relations by providing better buildings is an attractive, though largely unproved formula.

The proportion of turnover accounted for by rent is usually substantially less for an industrial than an office user. If the *demonstrably superior property* is available then industry can be persuaded to move and there is an established correlation between the vacating of older premises and the take-up of new ones.

Balanced

So developers, faced with having to see the prospect of higher rentals to cover increased build*ing costs are bothered less by* rent levels than by the size of demand. The pace with which demand picks up will determine whether, by next year, there is a genuine shortage of good industrial space or whether, as seems likely, the industrial market gets back quicker to a state of balanced supply and demand than the office market.

Certainly industrial companies, reminded by the Sandi*lands accounting proposals, are* taking a much closer look at the use to which they put their property assets. But the extent of vacated space should not be exaggerated: even King's latest dismal figures are estimated to show as available space 5 per cent. of the country's stock.

Rents at a standstill

IT TOOK longer than expected for recession to show through in rent levels for industrial premises. The rising amount of vacant space, even if much of it was not being marketed publicly in the first half of 1975, gave a clear indication of business health. Extended rent-free periods masked a growing softness in rentals. But the last few months have shown that the steady general upward trend of industrial rents has ended.

Notoriously difficult to chart, industrial rents are, in some cases, still rising gently. But this is only for particularly well located or well built property. For the most part, developers, faced with the remaining units from run-down development programmes, are concerned to get tenants in now, sticking more tenaciously to the date of the first review than to their quoting rent. Equally many companies disposing of leases having closed or moved plant or warehousing, are being forced to accept that this is a buyer's market.

The "forced" element has, in extremes, played possibly a larger part in confusing industrial rent trends even than in the office market. The case of a developer holding out for months for a £1.70 a square foot rent and suddenly settling for 80p is a not uncommon example. Banks and financing institutions may look marginally more kindly at the industrial than the commercial developer at present, but their time for understanding still runs out.

Against this, consider lettings like the one British Land achieved in Southwark, south-east London in the middle of last year when in a four-storey block let to the Stationery Office for the storage and printing of Government publications, the rent equated to over £2.80 per square foot.

Also, while it is broadly true that the area where demand has slackened least is in the 5,000 square feet to 10,000 square feet multi-purpose unit, there have been some notable large unit lettings. Earlier last year Phonadisc took 180,000 square feet of warehousing at Chadwell Heath; at the end of the year, MFI Warehouses, in possibly the largest warehouse letting of 1975, took 198,000 square feet on Artagen Properties' Viking Industrial Estate, Bedford at approaching 95p a square foot.

These are the successes, proving that where location is right, where height, access, etc., are acceptable, no company still in the position to invest is going to risk losing suitable premises for the sake of 10p per sq. ft. They are not typical, and, as in any thin market, it is difficult to detect the underlying price trend.

One attempt to do so, a regular monitoring by Property Investment Review, throws up rents of more than £1 a sq. ft. for even secondary refurbished units of 5,000 sq. ft. in Reading, Teesside, Edinburgh and Dartford among the centres it covers. The strength of parts of the Scottish market is shown by a level around £1.25p per sq. ft. for prime new units in the 20,000-50,000 sq. ft. range in both Edinburgh and East Kilbride. Reading is the most expensive of the centres it charts, with a level of £2 per sq. ft. for prime new 5,000 sq. ft. units and £1.50 per sq. ft. for prime new 20,000-50,000 sq. ft. units (a level just confirmed by the £1.80p a sq. ft. first agreed by International Computers for the London Life Association 30,250 sq. ft. warehouse development at Battlefield Farm, a quality building with high office content).

In this 20,000-50,000 sq. ft. range of new units, Property Investment Pension reports the rate in Birmingham falling just one side or the other of £1 per sq. ft., in Exeter between 85p and £1, in Glasgow around 95p, in Manchester between 85p and 95p and in Leicester around 70p to 75p.

Inexact

Such figures make a useful index for anyone taking space to chart his negotiations against. But there are innumerable factors which make this an inexact science: fuel price rises and a sharp winter have, for instance, thrown a new emphasis on heating costs, with a premium for low (around 10 feet) factory units. Size, the quality of construction, design and services vary so much that generalisations about a rate for an area are dangerous. Agents Chamberlain and Willows, complaining of misleading rent level reports, point out that the description "modern single storey" can cover a multitude of sins. Where there were reports last year of £2 per square foot exclusive being the going rate for new factories and warehouses in the London area, they know of rentals passing at well below £1 per square foot

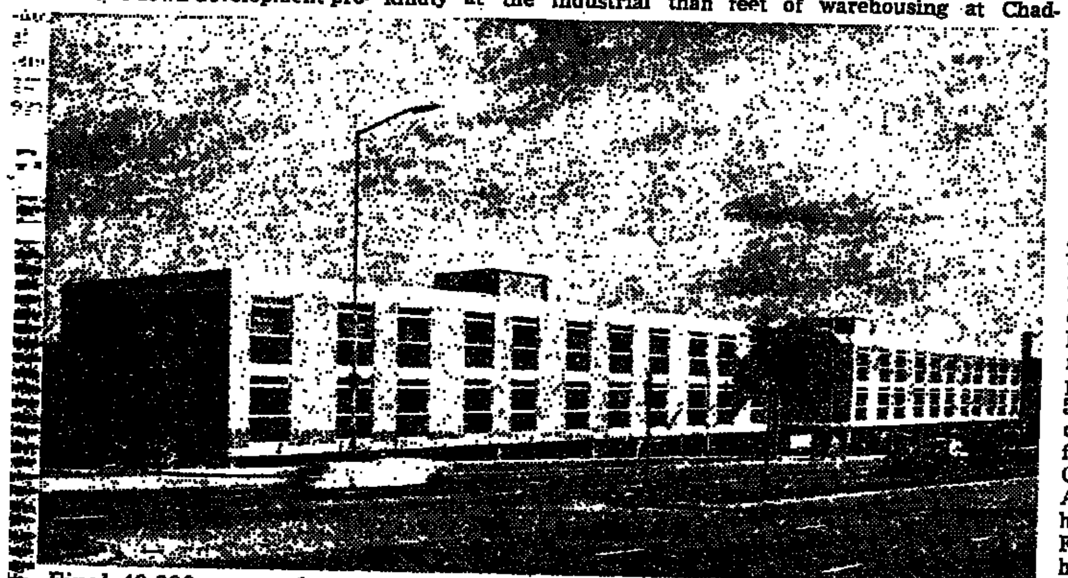
But although rates for an area are hard to pin down, a trend upwards, downwards or sideways is bound to emerge from those agents specialising in industrial property. The consensus now is that the general rise has, for the moment, ceased. There are those who anyway see the last phase of rising rents, occurring in the early part of last year, as misleading, based more on quoting prices than rents achieved.

Despite the slow-down in the rate of building price rises, many of to-day's rents are already looking cheap in terms of replacement cost. Sometime, unless recession turns to slump, they will have to move up again, at least for well-sited modern premises. Some agents, reporting the small flurry of New Year inquiries, feel the moment has already been reached.

In practice, the industrialist wondering about new investment probably has a little more breathing space. He has, after all, faced a sharpish and steady series of rises—Percy Bilton's figures, based mainly on a 50-mile radius round London, point to gains of around 200 per cent. over the last decade, a rate which only City of London offices could match, and rent levels there are notably weak at present. To put it another way, Slough Estates, using its indexation system tied to the wholesale price index, has normally found that, come rent review time, that indexed rise has usually accounted for only half the rise in market rents.

It seems unlikely that, with the current stock of space on the market, and industrialists emerging from the recession determined to keep their operations slim even if another boom beckons, the rate of increase of the last decade will be quickly resumed. The weakness in the market for large units of 50,000 square feet or more is pronounced. For several months yet we are likely to be hearing claims of "Brand new warehouse, 60p a square foot, cheapest in the country."

Q.G.



Final 40,000 square feet unit on a new warehousing project at Western Avenue, London, developed by the Glastwell Group in conjunction with Hill Samuel Property Fund. It has recently been let to Howmedica (U.K.), a subsidiary of Pfizers, the U.S. pharmaceutical company, at about £2 per square foot by Jones Lang Wootton.

INDUSTRIAL PROPERTY AVAILABLE—19[illegible]

(Overall totals of floor space in '000 square feet)

Type of Property

		Warehouses Vacant and to let/ for sale	Factories Vacant and to let/ for sale	Bldgs. under Construction Occupation within six months
England and Wales Total	(mid-Dec.)	36,939	38,719	[illegible]
	(August)	27,305	33,616	[illegible]
	(March)	20,268	23,339	[illegible]
By regions:				
North West	(mid-Dec.)	2,943	6,337	[illegible]
	(August)	1,672	3,420	[illegible]
	(March)	3,160	3,000	[illegible]
North East	(mid-Dec.)	5,111	5,861	[illegible]
	(August)	3,907	4,698	[illegible]
	(March)	2,137	1,479	[illegible]
West Midlands	(mid-Dec.)	3,934	2,104	[illegible]
	(August)	2,748	2,163	[illegible]
	(March)	2,100	1,800	[illegible]
East Midlands	(mid-Dec.)	1,089	613	[illegible]
	(August)	966	1,061	[illegible]
	(March)	742	750	[illegible]
East Anglia	(mid-Dec.)	1,146	405	[illegible]
	(August)	652	462	[illegible]
	(March)	840	340	[illegible]
Avon & South West	(mid-Dec.)	2,163	1,386	[illegible]
	(August)	1,932	1,345	[illegible]
	(March)	800	1,261	[illegible]
South Wales	(mid-Dec.)	622	737	[illegible]
	(August)	302	839	[illegible]
	(March)	250	600	[illegible]
London and Home Counties	(mid-Dec.)	19,931	21,267	[illegible]
	(August)	15,125	19,625	[illegible]
	(March)	10,239	14,159	[illegible]

N.B.—Exclusions from the totals
1. Premises with floor area less than 5,000 square feet.
2. Premises still occupied but unofficially on the market [illegible] or for sale.
3. Multi-storey mill premises mainly in the North East [illegible] North West regions.
4. "Semi-derelict" premises where it would be difficult to [illegible] refurbishment.

Source: King and Co.

Government projects come under fire

PROBABLY THE largest industrial landlord in Europe, and certainly the largest developer in Britain at present, is the English Industrial Estates Corporation. Its history goes back almost 40 years but, as an arm of Government regional planning it has seldom attracted controversy. Now, as perhaps a symptom of stretched nerves in a recession, its policy, and that of the Welsh and Scottish equivalents which are nearly as large, is under fire.

Broadly, the critics fall into two camps. One says that, at a time when levels of vacant industrial space are rising steadily, and to what may seem alarming proportions, the last thing we need is more factories being built. In normal times, so the argument goes, it is sound regional policy to build some factories ahead of demand in areas of unemployment. Indeed, the availability of good industrial space, or the sites on which to build it quickly, is a vital arm of any aid to assisted areas. But to continue now, with a programme twice the normal size, is to skirt round the real problem of a lack of investment. How long, so this line of criticism runs, will these factories remain empty?

The other argument owes something to the same thought that the Government is avoiding the real issue. But the conclusion reached is that the amounts being spent — although there have been five separate State factory programmes announced since July 1974, the last one in September 1975, totalling £20m. —are insignificant. At the end of the day only a few thousand people may work in the premises built, so why should the Government make a fuss about its schemes? If one judges like this, then the around 115,000 people employed in factories owned by English Industrial Estates Corporations are bound to look a puny number against nearly 1½m. unemployed.

Consultation

When levelled direct at the Industrial Estates Corporations (the Scottish and Welsh ones were subsumed last year by the new Development Agencies) these arguments imply some misunderstanding of their role, crediting them with more autonomy than they have. It is government which decides on building programmes and, though there is plenty of consultation, on where and what shall be built. Neither do the corporations hunt for or select tenants.

Government's intentions are both short and medium-to-long term. In the short term, a programme such as the English one, with 2.2m. square feet of industrial space under construction or in the planning stage, is seen as useful for providing employment in the construction industry this winter.

The longer aim is to create the potential of new jobs in the Assisted Areas. The advance programme—speculative building it would be called in the private sector—has a particular point during a recession: if and when the economy does pick up, there will be a limited quantity of new premises ready, developed by the private sector, in more prosperous regions. It should, in theory, offer an extra incentive to the usual battery of grants, two year rent-free periods etc. offered by the Assisted Areas. The Government is playing the market.

Blessing

It does so now with some added blessing from the European Regional Development Fund. The EEC announced in October that £7.7m. had been committed to Britain in respect of infrastructure projects of advance factories on which spending was planned in 1975 and 1976. Part of the funds will be used by the Development Commission, building small factory units in rural areas, which is also a client of the Estates Corporation.

Many private sector developers object to the whole philosophy behind the advance programme. A comprehensive complaint comes from Mr. Sam Laidlaw, managing director of the Scottish arm of Taylor Woodrow Industrial Estates.

His company is completing another 155,000 square feet on its Rutherglen and Birkenshaw estates, built for companies in food manufacture and distribution, electrical equipment and furniture distribution, transport services and engineering. Taylor Woodrow is two years ahead of its original schedule at Rutherglen.

But Mr. Laidlaw is unhappy about advance factories being built by local and public authorities. "There is adequate available factory space in Scotland right now for anybody who wants it. To build more advance factories at present is simply creating an illusion of industrial development, for these buildings are doomed to remain empty for a considerable time to come."

In short, Mr. Laidlaw believes this is not the time for public money to be spent on speculative property developments, at least in Scotland. "The new local authorities and the Scottish Development Agency—which seem intent on following an advance building programme—are merely exacerbating our present industrial crisis by such a policy and in effect confessing their inability to stimulate productive investment to meet our present urgent needs. The last thing we want is additional empty factory space, but it seems to be the first and only thing that public authorities are capable of providing."

It should be pointed out that, in more normal economic circumstances, advance programmes have made up a much smaller proportion of Estates Corporations' work. Much of the standard unit building done is in response to existing demand, while purpose-built units are constructed, often to be bought by the occupier.

Also, it is part of deliberate policy to keep what the EIEC politely calls a "vacancy reserve," not in order to take advantage of higher rents if demand picks up, but on the basis that Assisted Areas should have to turn as few potential investors away as possible through lack of suitable space. In practice, the English operation did just about run out of void factories to offer during the 1972-73 period and in building up its supply was caught by the structural steel shortage.

Pursuing Mr. Laidlaw's arguments, you get back to two fundamentals at the heart of the private sector case against State factories: unfair competition, and a false geographical direction of industry.

"Without benefit of subsidies and public funds, the private developer must build industrial premises that companies actually want, at a price they are willing to pay." If things go wrong, the developer bears the loss, but, so Mr. Laidlaw claims, enthusiasts for advance factories "treat the public purse as if it had no bottom."

"Eventually," he says, "public speculative building would have to be let by offering tenants further inducements and incentives which would simply add to the taxpayers' burden. Even then there would be no guarantee that manufacturers and distributors would remain in them beyond the period when subsidies, grants and loans were offered. Unless there is a sound economic basis for business regardless of Government-financed inducements, then we will lose the industry we attract by such means."

There is, of course, considerable evidence for the transient nature of industries attracted by Government grants. But one statistic quoted against this by the EIEC is the proportion [illegible] extensions built to exist[illegible] units to satisfy tenants' ad[illegible] space requirements. Betw[illegible] 1960 and 1975 it built 146 [illegible] of between 5,000 sq. ft. [illegible] 25,000 sq. ft. with a total [illegible] 2.7m. sq. ft. The extens[illegible] these now total nearly [illegible] sq. ft., an increase of 6[illegible] cent. in space usage by [illegible] tenants concerned.

The building cost factor [illegible] criticism often made against [illegible] state factory programme. T[illegible] years ago there was an inq[illegible] into the high cost of some [illegible] It is claimed that costs are [illegible] pared as strictly as in any [illegible] of the private sector, thoug[illegible] is policy for the EIEC to b[illegible] to higher than average st[illegible] dards. It also does extens[illegible] refurbishments on vacated old[illegible] premises.

Rents are not settled by the Corporation, but by the Inland Revenue's district valuers on an unsubsidised basis. The standard leases are for 21 years, full repairing, with reviews at the seventh and 14th years, intervals which are regarded by the private sector as favourable to tenants.

Succeeded

The criteria for judging the efficiency of Government-built factory programmes are hard to establish. In an area such as Northern Ireland, where the State, through the Department of Commerce, has long been responsible for a majority [illegible] total industrial development, [illegible] is clear that the programme has succeeded to the extent that without it very little industry could ever have been attracted into the province.

The crusading spirit evidenced by those responsible is no[illegible] usually recognised by outsiders in their mainland counterparts though it undoubtedly exists strongly at the time of the original projects like the Team Valley Estate, Gateshead, and an element of this remains to-day. What would have been the [illegible] financial and social cost of any significant proportion of EIEC's 115,000 tenant employees becoming hard-core unemployed?

But the judgment rests ultimately on the advance factory concept as an arm of Government regional policy. The record funds currently being invested are the biggest risk yet taken in this inherently risky policy.

Q. G.

Impact of Government policy

E INCIDENCE of Indus- Development Certificate :ol has been perhaps the inhibiting factor in :nting real growth in sh industry. The arbitrary that a company may, as a :quence of control, have to te itself from its raw *rial warehouse must erode* :ompetitive edge.

'he impact of IDC control seriously curtailed the unt of new industrial floor- : which has been created e areas where most growth stries have been and wish e located. As a result, ly and obsolete buildings been perpetuated and oved, though they can provide the quality of amodation that one sees id. Industry has, by this v, been forced to make use nadequate, inefficient and oury buildings to suit a cal policy."

us Mr. Nigel Mobbs, y chairman of Slough es and so obviously a man *some vested interests, but* one who in this paper nted to the Royal Institu- of Chartered Surveyors a fairly broad case from the point of view of industry, not merely the property industry, for allowing location criteria to govern where new investment is made.

The arguments were these: that industry should be near the point it serves or from which it derives its raw material, with the proviso that the pattern of distribution networks may, largely as the result of energy costs, change shape dramatically before 1985.

That industry must go where there are satisfactory labour forces.

That transportation must be efficient, both in the sense of access to motorway, rail or air systems and in the immediate vicinity, the first few miles, with regard to congestion and the protection of residential areas.

That the infrastructure should be attractive, particularly to management.

That the area should be one which is sympathetic, at local authority and regional government level, to the needs of *industry.*

It is from this set of standards that Mr. Mobbs develops his argument against Industrial Development Certificates in their present form. The question is what changes should be made. It looks, after a lengthy debate, as if some major developments are on the way.

There have already been minor changes in the system which demands certificates for new industrial buildings exceeding a total gross area of 5,000 square feet in London and South-East England. Early last year there was a relaxation of the policy for the Greater London Council area when the Minister accepted that applica*tions up to 10,000 square feet* should not be refused except on the intervention of the Secretary of State after consultation with the appropriate local authorities.

Obsolete

The arguments for going further have made most ground in the area of "replacement" IDCs. The case is that companies should gain these automatically if replacing obsolete premises. One of the more voluble advocates has been Mr. Anthony Grant, a London estate agent, whose main points are these:

That it was never the intention of IDC policy to restrict modernisation of existing industrial businesses in the favoured areas, only to curb new activities.

That, particularly in London's case, the promises held out by the expanding towns to employers have often not been fulfilled.

That with the growing worries about unemployment in what were traditionally thought of as prosperous corners of the South-East, there is now the possibility of such local authority backing as would induce institutional funding of new industrial schemes at a time when land and building costs are low.

That there is huge stock of obsolete industrial space incapable of satisfying the needs of modern industry.

That the cost of refurbishment or renovation applied to an existing building are often little less than the erection of a new one.

That, particularly in a high wage area, the proportion of total costs represented by accommodation is low and so investment decisions will not be trapped by relatively high space costs.

This argument that it is the productivity per head which matters most is crucial to the argument. It is, in a sense, taken further in Mr. Grant's opinion that, while many replacement IDC supporters *think they should allow a 10* per cent. increase in floor space, this extra is not necessary and indeed destroys the logic of the case that what is wanted is the replacement of old by new, not any enlargement which might conflict with basic IDC policy.

The last point is simply the need of industry to respond relatively quickly to new demand. To say the six or nine months required to build may be enough to lose orders is to *exaggerate. But equally the* speed with which industrial developers can respond to a changing economy is also frequently overstated. There are plenty of cases where, while still taking half the time office blocks take from conception to completion, industrial premises, with the whole IDC, planning and construction procedures to go through, take two years or more.

The other main line of attack on the problem of out-dated premises, argued from the position that they are a positive disincentive to any regeneration of industry, says that it is not enough to encourage the new; you must first destroy the old.

Brisk

There are various forms of demolition grants suggested, and there are also plans to put older multi-storey accommodation to good use by dividing it up into the smaller units for which there remains a brisk demand. Whether there is anything made of these ideas is much more problematic than in the case of replacement IDCs.

Back in October 1975, Mr. Gregor Mackenzie, Minister of *State for Industry,* gave a written answer in the House of Commons which seemed full of promise:

"*Proposals for speculative* industrial developments raise special problems in relation to the operation of IDC control. I am considering whether it would be reasonable, bearing in mind the interests of the Assisted Areas, to allow the issue of IDCs for a limited range of speculative replacement industrial building outside the Assisted Areas."

Before Christmas, it seemed likely that an announcement was imminent. But, perhaps because of a further meeting between Department of Industry officials and various interested parties such as chambers of commerce, the industrial developers and the British Property Federation, no policy change has been forthcoming yet.

It seems likely that two points made to Government caused a rethink. *A plan to* restrict any replacement IDCs to 50,000 square feet was seen as unnecessarily restrictive. And the idea of restricting the replacement certificates to companies already in the local authority areas was criticised as being precisely what the troubled boroughs and district councils did not want. These restrictions have suited Hertfordshire and Surrey, and sometimes also Sussex, Essex and Berkshire well enough, but these are not the problem areas.

So the Government is considering these objections. It is anticipated that their decisions, which will involve at least some change of policy, will emerge within the next few months.

Q. G.

London's problems

MPLOYMENT IN London t well do more to change Government's mind over Industrial Development ficate policy than years of ing by industry. But will olve the capital's problem?

: figures, as spelt out by leg Goodwin, the Greater on Council leader, are that on's population has fallen 7.9m. to 7.1m. since 1961 a loss of 489,000 manufac- g jobs. With double per- ge figure unemployment in al boroughs, the recession been a dramatic reminder Londoners, with all the ical influence they have, of icy which has gone too far.

nufacturing jobs lost igh GLC schemes totalled 00 in 1961-66, 216,000 in 71 and another 153,000 the end of 1974. This ot all be put down to the

nearly a quarter of a ry it has been almost rsally accepted wisdom it was the right thing to rage moves from the d. When it came to rty matters, however, all ublic emphasis has been e question of offices. The o planning permission has had alarming enough s to focus attention on ector. Few people have ed to those who were also ed about industrial rty, the difficulty of getting IDCs for anything over 10,000 square feet, and the importance of London as an industrial as well as a commercial capital.

At last, this has become a tenable political issue, with a Labour majority at County Hall committed to halting the rise of unemployment. Old factories, now used, if at all, as temporary warehousing, are turning London into a "mere storage shell," says a Labour MP, Mr. *William Molloy.*

Worried

Now that it is seriously worried by the fact that what it has been moving out of London, into the new and expanding towns with which it has contracts, has not been just people, but jobs as well, the GLC still has the weight of Government policy and that of most other regions against it if it wishes to do something positive to change the trend.

Industrial property may be only one part of the answer, but it could be a significant one. Few would argue that Government policy has been a major factor in rendering many of the industrial premises of south and east London quite unsuitable to modern industrial companies. Equally, the tight planning controls have created scarcity and contributed to the high cost of good modern space.

Even in a year when the letting market was weak, 1975 saw some high rents paid in the favoured spots. £2 a sq. ft. was asked for and got on Amalgamated Investment and Property's Westwood Park Trading Estate close to Western Avenue, an area where warehousing is always sought after. British Land showed how rare good modern space is closer to the centre with a figure of £2.80 a sq. ft. on its Southwark letting to the Government.

Indeed, over the years it has been constantly proved that demand for good industrial space in or near London will soak up supply quickly when the national economy is healthy. The solid growth of a specialist company like Allnatt London Properties shows this.

But demand in the southwest and north-west corridors, largely governed by accessibility to the motorway system, in no way solves the GLC's problem, much of this demand anyway being for warehouses with low labour forces.

The areas from which the jobs have mainly disappeared are south and east London. The single biggest opportunity—and at the same time problem—remains the long-lasting question of what to do with London's docklands.

Last year began with the first significant step, approval for an industrial estate, with an eventual total area of over 1m. square feet, at Beckton in the Borough of Newham. The year ended with another useful scheme, the Trammell Crow Trade Mart on the Surrey Docks, getting towards the end of its passage through the Southwark and GLC approval machineries.

The intention is still to try to get the Trade Mart underway this spring for operation in 1978. Southwark is just as keen, wanting the 12,000 jobs which the Mart and the associated *industrial sites are planned to* bring.

Scale

This might show the way to others, but the problem remains on an enormous scale. The Port of London Authority's land bank alone stands around 800 acres. Ending general cargo handling at the West India and Millwall docks, as it plans to do, could not only involve 3,000 more jobs going, but add another 270 acres to the store awaiting redevelopment.

In South London, agents Druce and Company, have recently come out with the statement that there "could be well over 5m. square feet" of industrial property on the *market and that one in five* properties is empty or available. The dangers of this becoming an industrial wasteland are, perhaps, not as immediately obvious as on the barren acres of east London. But the specific problem of factories too out of date to attract industry is even more in evidence.

It is here that the most powerful evidence for some form of replacement IDCs can be mustered. The policy, when conceived, was after all intended only to limit new manufacturing activity in areas of high employment; not to restrict the modernisation of those facilities.

Some evidence of how many plants have been abandoned in *the last year is contained in* King and Company's availability surveys: London and the Home Counties have seen among the most dramatic increases in vacant and to let/for sale space.

The figure for factories has risen from 14.1m. square feet in March last year to 19.6m. in August and 21.3m. in December. Warehouse space has risen from 10.2m. sq. ft. in March to 15.1m. sq. ft. in August and 19.9m. sq. ft. in December.

With this amount of empty *space, it is easy to query any* moves to allow new replacement factories. But London's industry will not be regenerated in 19th century multi-storey premises or in all-purpose warehousing units where it is hoped to get an IDC-holding tenant able to effect a change of use. The GLC will be able to get plenty of experienced support from industry if it pursues its planning point with central government.

Q. G.

Little on the horizon to please the builders

For the U.K. construction industry, the industrial building sector represents a major black-spot in a generally very bleak outlook.

While much of the attention concerning the overall health of the construction industry is inevitably focused upon the housing sector, it is to the factory and warehousing field, along with commercial building, that the builders themselves look for an indication of how the industry is likely to fare in the months ahead.

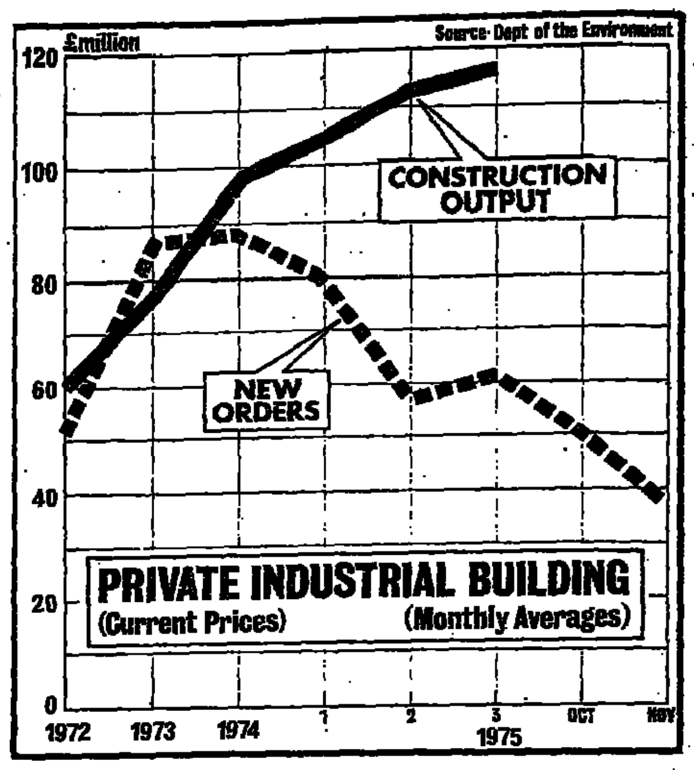
There can be no better barometer of economic weather to come than companies' investment intentions as reflected in their desire for new factory and warehouse space and in this respect the present situation and current outlook remain particularly discouraging.

It is interesting to note that in last week's latest survey of industrial trends published by the Confederation of British Industry — which showed the first signs of an improvement in outlook—that while the proportion of companies expecting to authorise more capital expenditure on buildings had increased over the past four months, there had been a greater rise in the number who intended to invest first in plant and machinery.

This is a traditional trend, reflected recently in the latest set of construction forecasts from the Building and Civil Engineering "Little Neddies." Their report pointed out that evidence from past investment behaviour confirmed that in the early post-recession period, investment funds were much more likely to be directed towards what went in the building rather than the buildings themselves.

Upturn

Upward trends in the industrial sector are nevertheless expected earlier than in the commercial building field. According to the Building EDCs, industrial building work in the current year is likely to be worth only around £480m. against last year's £535m., representing another annual fall in output of 10 per cent. Tentative figures put forward, however, reflect the consensus view that the worst of the present trough will occur in 1976 and that orders for industrial construction should start picking up sometime this year. With this trend in mind, the EDCs have forecast a modest upturn in industrial building output for 1976, possibly of around 6 per cent. when compared with this year.



Prospects for the year ahead were summed up by Mr. Derek Anderson, managing director of Costain Construction, which handles a lot of industrial building work. While he said he was reasonably happy with the workload his operations had in front of them, both this year and next, he could not envisage any significant upturn in the level of orders before the end of 1976.

Prospects for new industrial building work are certainly not helped by the glut of space already on the market looking for new occupants, though much of it is older-type property with a rather limited range of use in its present form.

As if low demand and plentiful supply of industrial accommodation were not enough, builders contemplating development in this field have for two years faced a cost situation that has taken on frightening proportions, as it has throughout the building sector.

The pattern now is very much one of building for a specific customer, and there seems little chance that speculative development work will be back for some time.

Estimates as to just how much average building costs have risen over the last year or two vary widely but few contractors would argue that their bills for materials and labour have increased at an unprecedented rate. Some sources put the overall rise in costs as high as 50 per cent. between the start of 1975 and the end of last year, though others claim this is an extreme.

There are now signs, however, that the spiralling trend of costs which have made fixed price contracts totally unrealistic and costing an almost impossible exercise, is now moderating quite substantially.

A large proportion of the increased costs faced by builders over the last two years were directly accounted for by huge rises in wage bills—they went up by an estimated 38 per cent. between June, 1974, and June last year. The building unions have now asked for an increase in basic wages before the expiry of their current agreement in June but even if any settlement was reached, which for the moment seems unlikely, adherence to the £6 limit would mean that cost in the current 12-month period will only have risen by around 13 per cent.

As far as material prices are concerned, the overall picture is also one of moderating trends. Though, again, figures are difficult to obtain, material prices are now thought to be rising at a rate of about 12 per cent. per annum, compared with an earlier annual rate of around 20 per cent. or slightly higher.

But as several contractors have pointed out, apart from the general slow-down in price rises, the market place for materials has recently become more keen, with [illegible] searching for business and [illegible] pared to make concessions [illegible] get it.

So at least, the pressure [illegible] costs appear to be [illegible] after an extremely unpleas[illegible] bout of inflation, which m[illegible] prove a valuable ally in [illegible] search for business over [illegible] coming year or so.

The picture is not all [illegible] and builders looking for in[illegible] trial work can take heart [illegible] the fact that some compa[illegible] are now displaying their [illegible] fidence in the future in the [illegible] way open to them, by expans[illegible]

Project

Only last week, a major [illegible] dustrial building project [illegible] announced by the British [illegible] fast cereal manufactu[illegible] Weetabix, which plans to [illegible] velop 75,000 square feet [illegible] manufacturing space [illegible] another 25,000 square feet [illegible] warehousing and storage on [illegible] next to their existing com[illegible] near Kettering in Northamp[illegible] shire. An industrial deve[illegible] ment certificate has [illegible] granted and, subject to [illegible] granting of planning permis[illegible] the company aims to start [illegible] ing work during the spring [illegible] completion scheduled for [illegible] in 1977. The building will [illegible] about £1m.

Initially, 35 extra jobs will [illegible] created, a figure which will [illegible] to 130 when the plant is at [illegible] capacity. Companies in the [illegible] will be among those invi[illegible] tender for the design and [illegible] struction of the complex.

Michael Cas[illegible]

Stronger developers well placed for steady growth

"OUR ATTITUDE is that we're in the same sort of business as the man making machine tools or vacuum cleaners. In bad times you have to try to keep going. We can't stop, lose our development team and then hope to start again at the right moment."

Mr. Harry Axton, deputy chairman and managing director of Brixton Estate, represents one of the specialist industrial property development groups which have survived the last two years in markedly better shape than most office developers. While industrial developers can, if need be, turn off the development tap quicker than office developers, in practice the severe pruning of programmes did not come, for most companies, until the second half of last year. Many say that once Development Land Tax is introduced, which because of the end of the First Lettings Charge they prefer to the uncertainties of the Development Gains Tax period, they will start to turn the tap on again.

Mr. Axton stresses that, even with the shorter period required for industrial building, no developer can hope to build only for the high points in the market cycle. Hence last year, at the company's large Dunstable estate, development continued on units of 30,000 to 45,000 square feet despite the slack letting market. Three of them now let. The next phase will be another four units and on some new sites Brixton hopes to acquire this year, the aim is to start building around November, hoping for a strong letting market in autumn, 1977.

So, even in a period of recession, Mr. Axton stresses continuity rather than attempting to forecast market trends exactly. "You'd never get it right even if you could see to-morrow's papers."

The Stock Market has, in the last year, recognised the stability of the industrial market. Though rents have now flattened out, there has been no sharp drop as there has been in many office locations, and prime industrial properties have commanded a steady growth in rents over the past decade which outstrips prime commercial growth. There is also a clear inclination toward industrial property developers among investors and lenders because of their political acceptability.

If two incidents could be said to illustrate the trend, then they might be Slough Estates receiving the first announced loan from Finance For Industry, and the recent news that Electricity Supply Nominees, in entering the direct development field, had opted to start with 61,000 square feet of industrial space in Cumberland Avenue, London.

Margin

Other funding agreements have also indicated the City's faith in the sector. Along with the FFI loan, Slough had a successful Rights Issue to produce a £10m. package at around 13 per cent. Even with the subsequent fall in interest rates, this still allows Slough a clear margin under what long-term commercial mortgages are obtainable. Having cut back on its U.K. industrial programme, though making the biggest acquisition of the year with the Suttons Seeds site, Slough is one of those who see DLT as the likely starting point for its next phase of expansion.

Slough's capitalisation, now well above many former giants of commercial property, shows the institutional view of this funding package. But after Haslemere, one of the few mainly commercial groups sound enough to have a "genuine" Rights Issue last year, had said it would channel some of the new funds into industrial property, two other largely industrial developers went to the Royal Insurance for more traditional funding.

Brixton's £5m. 10-year loan was at 1 per cent. under the rate for an equivalently dated gilt and, at the time, involved a potential equity dilution of less than 4 per cent., with Royal's share options at 11 per cent. above the then market price. The rise in the market since then has driven the Brixton share price comfortably past Royal's subscription exercise price of 82p.

Reviews

Royal's other, smaller, funding to Estates Property Investment Company, did not involve a statement such as that made with the Brixton funding, which was explained as being aimed at "developing first class industrial schemes which will assist in the modernisation of Britain." But it involved, quicker than in Brixton's case, the same advantages to the Royal of a share price rise. And EPIC's strengths—its major weakness is on a foreign commercial scheme—also lies in industrial property. Like many of the long-established industrial developers, it will see a substantial rise in rental income before 1980 as some valuable reviews and reversions come in on early industrial estates.

As Percy Bilton, which by most yardsticks enjoys the fastest growth record in the sector, more than three-quarters of its porfolio is due for review by 1980. Its funding has come largely from the ICI Pension Fund and the key to its recent performance, when despite the inevitable dip in the proportion of profits coming from development and construction there was still a £320,000 pre-tax increase to £2.3m. at the interim stage, is the steadily rising rent roll and the absence of short-term debt.

Bilton, operating mainly in the South-East, has managed to buck the recession by building, most of it pre-let, 700,000 square feet in the past year. Its total up-and-let space in Basingstoke alone is now almost 1m. square feet.

However, even among this group of successful industrial developers, there are any number of worries about the next two years. They are, despite the New Year optimism which has seen a flurry of letting inquiries to agents, still waiting for firm evidence that demand is picking up. The institutional interest in investing in prime industrials, with a particular emphasis on covenant, has occurred despite a marked weakness in rents. The incentive to build speculatively, even on proven estates, is being constantly undermined by the quantity of secondary industrial units being put on the market at knock-down prices.

And, despite some relatively advantageous funding, building costs dictate at least some resumption of the rise in rentals, even if not necessarily on the scale of previous years.

Demand is highest in units of 10,000 sq. ft. or under, but tenants for these are often precisely those concerns which will fail or expand rapidly and need bigger premises. Also, building costs are higher the smaller the unit. The extra rent obtainable on small units is not always worth the headaches and at the other end of the scale, the economies of very large units, both in building and management terms, [illegible] gained at the price of poten[illegible] marketing difficulties ([illegible] gen's leasing of 200,000 sq. [illegible] on the Viking Estate, Bedfo[illegible] though it was splittable, [illegible] one successful conclusion to [illegible] bold venture). The weakn[illegible] in rent levels for the la[illegible] units is clear testimony [illegible] present, to the difficult balan[illegible] between building large enou[illegible] to attract a good covenant [illegible] not so large as to risk long-te[illegible] voids.

It seems certain that, eve[illegible] granting a true pick-up in the [illegible] economy, the next phase of [illegible] industrial building will see fe[illegible] fewer companies building to [illegible] more specialised formulae than [illegible] before.

Q.G[illegible]

Resilient end of the investment market

...strial side of the ...vestment market has ...re resilient than the ...shop sectors during ...als of the last couple ...ields have certainly ...sharply—in line with ...of the market and ...the overall level of ...it rents have gen... more stable than ...offices in places like ...ndon.

...cator of the trend of ...ues over the period ...end of the boom in ... 1973, is provided by ...ist Intelligence Unit ...missioned by Michael ... Partners. This only ...me rack-rented in...vestments—and so provides too bullish picture by ignoring ...property.

...the report shows ...the middle of last ...values of industrial ...have been much ...an office and shop —not dropping at all ... Indeed, according ...figures, which some ...men might feel are anyway too rosy, values actually increased by a fifth during 1974 as rents continued to grow, and yields had peaked by the end of the year. Over the longer term the strength in rents has generally offset the fluctuations in yields, leading at worst in the second half of 1972, to no growth in values. Over most of the last 12 months when rental growth has slowed to a halt, values have improved because of the decline in yields. But these figures solely refer to prime property and values have dropped quite sharply for lesser quality investments and reversions.

Speculative

The fluctuations in yields mirror the sharp changes in sentiment in the investment market as a whole, starting in the hectic days of the early autumn of 1973 when speculative pressures were forcing yields down to the range of 6.5 to 6.75 per cent. against the background of rapidly rising rents — a rise of possibly a quarter in 1973 alone. The sudden change in the market in November/December 1973 — caused by the secondary banking crisis, sharp rise in interest rates and the announcement of the Development Gains Tax — removed many potential buyers from the scene overnight and led to a steady rise in industrial yields throughout 1974. The peak prime rate was probably 11 to 11.5 per cent. in the late autumn of that year.

The turning point came, however, at the end of 1974 with the decision to bring forward the end of business rent controls by 12 months and the sharp fall in interest rates in the early months of last year. This did not lead to an immediate change in investment attitudes but a steady recovery, especially from the summer onwards. But as a recent survey of the investment scene as a whole by Richard Ellis has noted, "the alterations that occurred in property yields during the year came about, not as a result of belief in early rental growth, but rather from a desire for stability and increasing volume of money chasing a dearth of suitable property situations."

These remarks apply as much to the industrial sector as to the office and shop fields, so that by the middle of last year yields on top-quality industrials had dropped to the range of 9.5 to 9.75 per cent., about 9 per cent. generally by the autumn, and around 8.5 per cent. over the last couple of months. But this applies only to the very best modern rack-rented investments *in prime locations: there is still* very little demand for the rest.

Indeed institutions have become more selective in some respects about what they regard as prime property—insisting upon adequate eaves heights for warehouses, and sufficient parking and loading space. This is basically because any investor now wants to feel confident that if necessary the unit is sufficiently flexible to be re-let. Moreover, there is also an understandable attention now to covenant—looking at the underlying ability of the tenant to pay the rent. Locational requirements remain as stringent as ever with the favoured category including London and the Home Counties, as well as Bristol and Southampton.

At one stage last year it looked as if the traditional gap between industrial and shop and office yields might narrow and a relatively large share of the money allocated to property seemed to be going into industrials. There has certainly been an increasing recognition of both the resilience of industrial rents and their steady long-term growth, comparing favourably to rates of rental increase in many office and shop investments.

Restraining

Although the relatively high rates of current return offered by industrial properties have attracted some institutional interest, the yield gap with offices and shops has remained at roughly the traditional level. A restraining factor—holding *yields at the current level* over the past few months—has been doubts over the strength of the letting market. There has also been evidence that rents for larger modern properties have been slipping even in good locations and there has been no advance in rents for smaller buildings—nor is this situation expected to change much during the next 12 months.

Yields may, of course, fall because of the pressure of money *and the relatively* scarce supply of suitable prime investments. Indeed the scarcity of good quality industrial investments, as opposed to the abundance of secondary properties available, reflects the fact that a number of the best schemes were anyway funded on a forward sale basis or carried out by companies with a solid financial position which do not wish to sell. In any event, few industrial property specialists *believe that yields, will fall* below 8 per cent. in the immediate future.

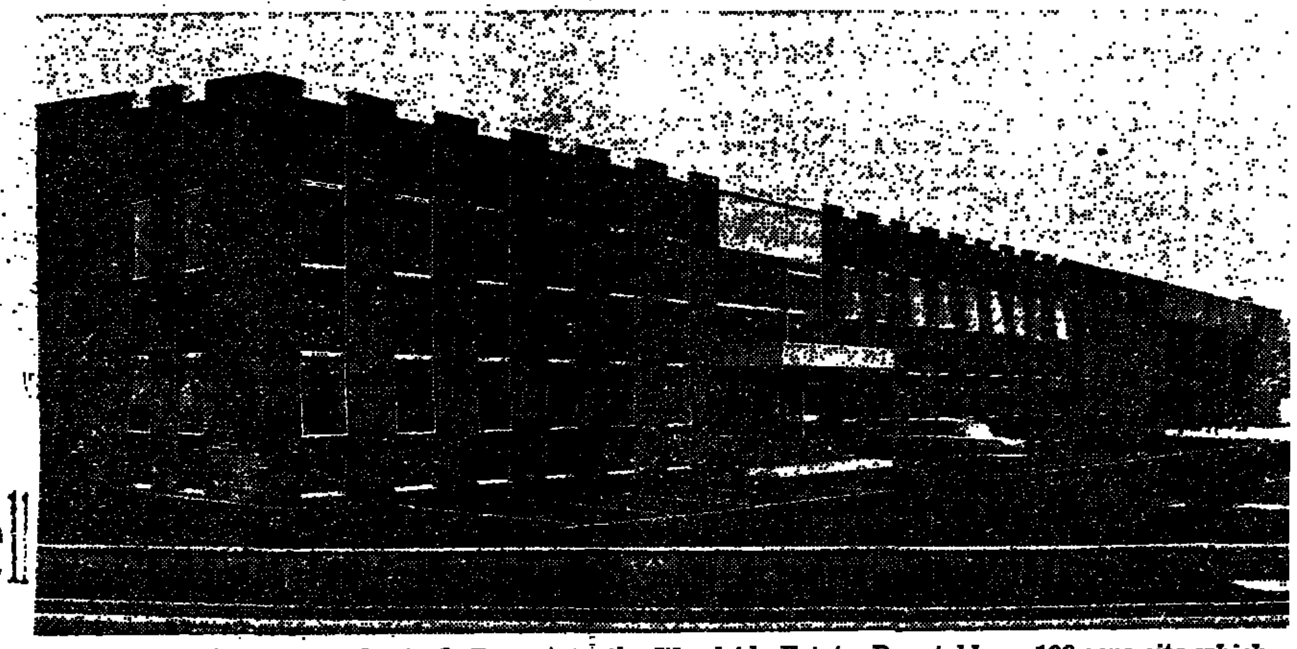
In contrast to the partial recovery in investment activity, the funding market has remained relatively quiet. This partly reflects doubts about the viability of any scheme at present because of the weakness of the letting market and rents, as well as the steady rise in building costs. The result is that even those companies with no financial worries are reluctant to start new industrial schemes until they feel more sure that they will have a tenant around at the end of the day to take the space.

Slough Estates is one example—saying it is ready to go ahead and develop space on eight of its estates only when *it feels more certain about the* market. But the group also argues that the existence of the first letting charge section of the Development Gains Tax acts as a further constraint and until this gets new development is unlikely to start. And although the proposed Development Land Tax has hardly gained widespread acceptance among property men it is regarded as only a partial disincentive compared with the total disincentive of the first letting charge.

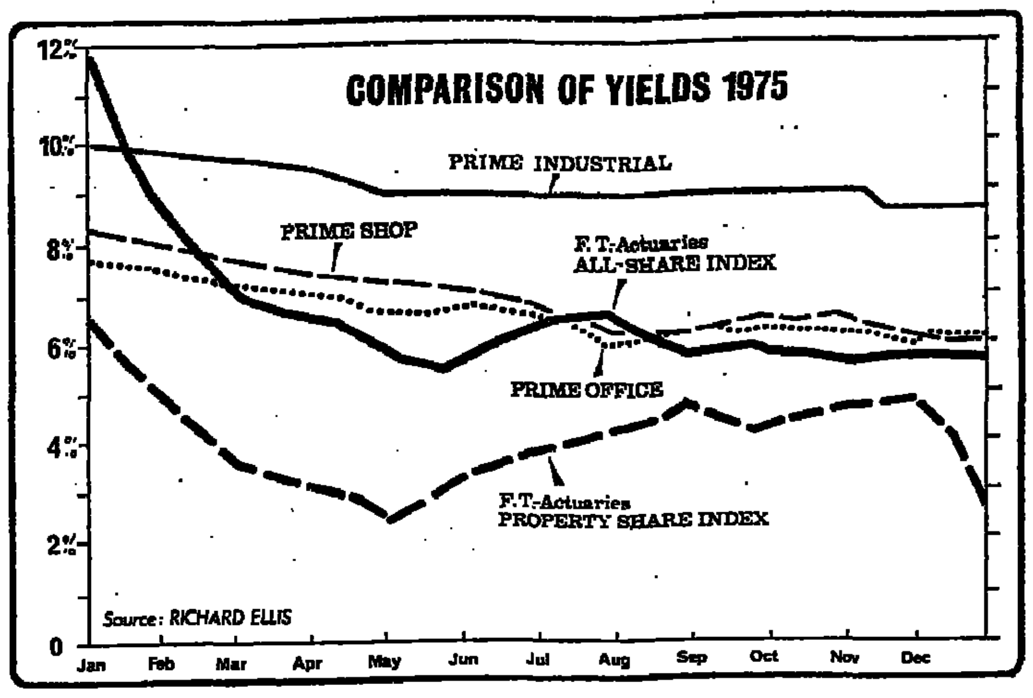
The developers' reluctance to start new schemes has been reinforced by the institutions' reluctance to finance them because of the uncertainties about the eventual return. There has been evidence recently of pre-*funding activity for first-class* schemes but only under the tightest conditions covering not only the project itself but also the company sponsoring it. Thus financiers want to be sure that the developer has a good surplus of income from other sources to afford the leaseback rental and interim interest payments. *The differential over the* normal investment yield has apparently been of the order of a point to a point and a-half, though this activity is still fairly restricted.

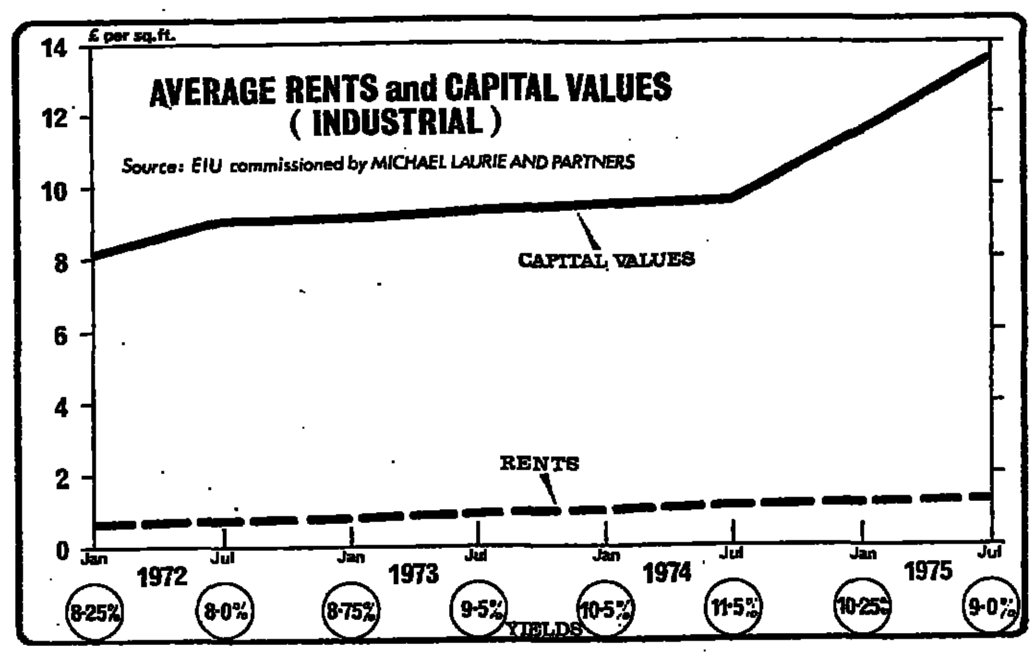
In addition to financing specific projects, a number of soundly based companies have arranged longer-term packages over the past year—for example, Slough Estates raised £10.5m. via a convertible loan stock and a loan over 10 years from Finance for Industry, while Brixton Estate has agreed a 10 year £5m. loan facility with related equity option with the Royal Insurance. But the money is unlikely to be spent on any scale until evidence of an upturn in demand appears.

Peter Riddell



...0 square feet factory unit let to Q. Peanuts on the Woodside Estate, Dunstable, a 100-acre site which Brixton Estate has been developing since 1971.





INDUSTRIAL PROPERTY VI

Major boost for the U.K. exhibition business

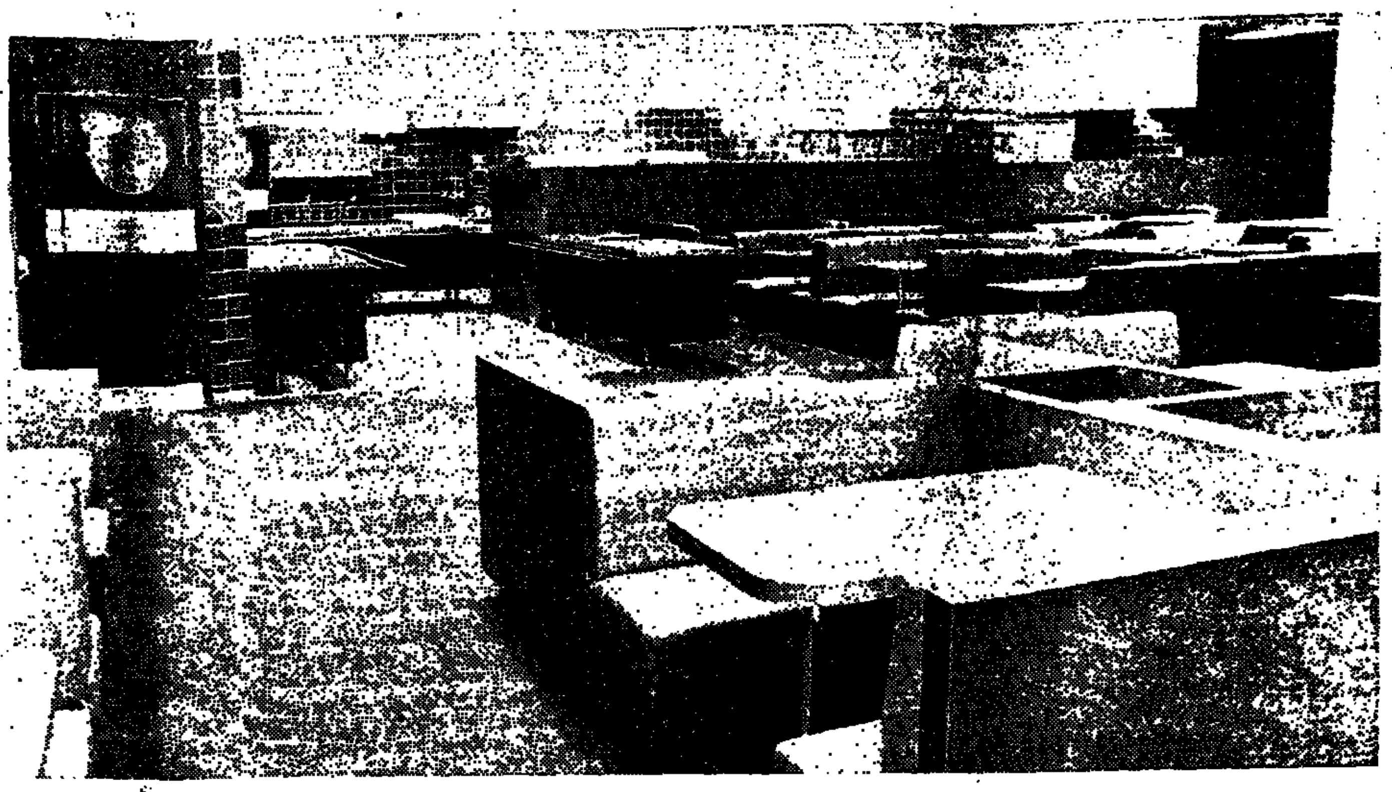
DEVELOPMENTS THIS year in the U.K. exhibition and trade centre industry have naturally been totally overshadowed by the long-awaited opening of Britain's new showcase, the National Exhibition Centre, located a few miles from Birmingham.

Last week, the £44m. complex was given the Royal Seal of Approval by the Queen and Prince Philip and it also staged its first exhibition, fittingly the largest trade show ever held in the U.K.

"The beginning of a new enterprise for the future prosperity of our country" was how Her Majesty summed up the project, which has finally come to fruition after more than 20 years of argument, debate and finally planning and construction.

There can be few people remotely connected with the exhibition world who have not already been inundated with lists of impressive statistics concerning the new centre, though few of them will have yet seen what the NEC has in store for them.

The complex undoubtedly offers a range and standard of amenities which have previously been the preserve of centres in other countries. There are six exhibition halls offering 1m. square feet of air conditioned space, together with all the ancillary facilities vital to the smooth operation of any trade show.



A restaurant at the National Exhibition Centre.

Information

Hotels on site, conference facilities, booking egencies, banks and stock exchange information services represent just a few of the amenities which the visitor can expect to find. Specialised clerical, duplicating, public relations and translation facilities, as well as computer services and telecommunications links are also envisaged or are already being provided.

The centre is expected to draw anything up to 4m. people a year and the region as a whole is likely to benefit to the tune of £2m. a day. The big question mark hanging over the complex, however, is simply whether or not even the NEC's unchallengable facilities will be sufficient to draw the exhibition industry away from its more regular haunts, largely in London.

The early booking figures look encouraging but the NEC is well aware that they are entering a trial period and everything will depend on how much business a Midlands-based exhibition showcase will be able to generate. Some very telling comparisons with London are bound to be made.

The NEC men point out that some of Europe's most successful show centres are not necessarily in capital cities and feel it slightly ridiculous that such a small country can apparently have such major reservations about the centre's location just 100 miles away from London.

But in any case, the centre is now on trial and the entire exhibition world will be watching closely to see what happens. The organisers of the very first show at Birmingham, the International Spring Fair, managed to let all available space and the number of visitors exceeded all expectations, though—perhaps rather like Concorde—the NEC will have something of a curiosity value for some time to come.

Watching events in the Midlands as closely as any interested party will be London's two major exhibition centres, Earls Court and Olympia, until now the U.K.'s only large scale show homes. Their reactions towards developments in Birmingham have so far been fairly muted but they apparently have an open mind on the new situation which confronts them.

They do not, they say, have any doubts that London will nevertheless remain in great demand as an exhibition centre and that if the NEC is successful, particularly in bringing shows from overseas, it could well be to the advantage of the whole exhibition industry in this country. They do not believe that the advantage of offering exhibition facilities right in the heart of the capital can ever be totally eclipsed by the appearance of admittedly better amenities elswhere and basically see the NEC as a complement rather than a threat to their own activities.

Town and City Properties, owners of both Earls Court and Olympia, have their own plans on hand to update the exhibition facilities now on offer in London. In the coming year, the company intends to spend about £1m. on modernising Earls Court, which will go beyond a lick of paint and provide improved facilities across a fairly broad range. All the work will be done alongside exhibitions, so no income will be lost.

Town and City have made it clear that they would like to consider much more substantial improvements to the Earls Court complex and, given the necessary financial support from the Greater London Council, plans to update the centre would no doubt be put in hand. The climate, however, is clearly not right for such action.

Over at Olympia, whose future has at times looked uncertain, it seems likely that the complex will be used more as a trade centre, with exhibitions taking on something of a more permanent nature, though clearly not of the size of shows put on at Earls Court.

Elsewhere in London, plans are proceeding for a trade mart on land which once formed part of the old Surrey Docks. Southwark Council together with the GLC is purchasing 134 acres of land for £2.7m. from the Port of London Authority and developer Trammel Crow hopes to have a mart operating on the site by the spring of 1978.

Both the GLC and Southwark have approved the idea in principle. Southwark is particularly keen on the trade mart scheme, seeing it as the best chance for a mixed development with the residential and industrial sites it already has and pro[...] eventually produce [...] jobs. As for Tramm[...] trade marts have alw[...] a speciality of the g[...] its Dallas Market Ce[...] ing over 100 acres of [...] compared with the [...] square feet of exhibi[...] warehousing space [...] for the London scheme.

Theatres

On the other side of [...] a new combined confe[...] exhibition centre will b[...] in Wembley later this [...] centre, on Wembley [...] doorstep, will offer fi[...] theatres, with a capac[...] to 650 people, offerin[...] aids and providing sim[...] multilingual interpreta[...]lities. A main audit[...] seat 2,700 people. A[...] 32,000 square feet of e[...] space will also be avail[...] although this hardly [...] alongside the space o[...] London's—or Birming[...] major centres, it will [...] a valuable compleme[...] Wembley operations.

Not all the activity [...] is confined to Birming[...] London and a big c[...] rather than exhibition [...] due to open in Brigh[...] in 1977.

The 5,000-seat centre [...] doubtedly attract ma[...]ings from the interna[...] gress circuit and add [...] alternative to the ab[...] stantial range of [...] facilities available i[...] Brighton is a major [...] name in the conven[...] and this latest de[...] should add to both [...] national and domesti[...] in this field.

Elsewhere, there are [...] though nothing more [...] vide Scotland with a ma[...] ference centre. Proposa[...] complex in Glasgow o[...]burgh have been put for[...] the past, as they have [...] diff, but as yet there [...] no actual development [...]

Michael [...]

Two schools of thought in design

IN ANY discussion of factory buildings, or of industrial architecture, the talk nowadays is likely to be split into two camps. Down in the street, they may well be talking, in this more enlightened decade, about the contribution made to the country's built environment by its existing industrial conditions; up in the boardroom, they are probably talking about the need to modernise plant, buildings and layout—which in many cases is woefully inadequate to meet the standards needed for current manufacturing and distribution processes. On present showing, both sides are justified in shaking their heads. Given that the environmental aspect is obviously important, more important still is the present efficiency and future capability of buildings and layout used for manufacture and distribution of products.

On general levels of efficiency, ergonomics and ultimately, of productivity, it is widely estimated that the buildings of some 60 per cent. of Britain's factories fall below standard. As a corollary to this, many factories fall short of levels of production easily in their grasp. Clearly, this must reduce the ability of companies to borrow the finance for re-building and modernising. Many factories are working to their full capacity, but in buildings and with machinery which keep full production levels to an artificial low.

Fragmented

Britain's industry is a series of fragmented units which often survive uneasily on their own. Eighty to 86 per cent. of British manufacturing companies have less than 100 employees. While it would be unfair to say that smaller factories particularly fall short of desired modern standards in production, plant and buildings, it is with the smaller ones that these problems are most acute.

The present state of factory buildings in many areas is critical, although according to some, London and the Midlands deserve special mention as "black" areas, largely owing to over-hasty urbanisation during industrial boom periods.

Factory buildings which were badly planned when they were built are now hopelessly unsuited for anything a modern manufacturing process is likely to demand. The worst ones are also ill-ventilated, ill-lit, badly insulated from noise and dirt and often devoid of all ergonomic considerations. Little space or thought seems to be given to distribution facilities and this seriously slows down deliveries.

Again buildings of this kind preponderate in the smaller business sector, but some larger companies, particularly the motor industry, shipbuilding and certain nationalised industries, are far from blameless.

A spokesman for Cluttons, the Chartered Surveyors, believes that it is the areas close to or in London which possess some of the worst industrial buildings. Further out, where there is more room, they improve a good deal but as far as the general standard of industrial property is concerned, there is still enormous room for improvement in the standard of property sold.

The age of much of our industrial architecture is a big cause of its present character. Shortage of land frequently inhibits anything resembling any serious physical imrovement to modern requirements.

A factory in polychromatic brick with Ruskinian gothic windows and chimneys disguised as Italianate campaniles can look delightful and may get a grade two preservation listing from the DoE, but it may not nowadays be suitable for its original purpose. Similarly, a simpler factory building, such as the kind seen in large numbers on the peripheries of the big railway termini, may strike the right Dickensian note in this suddenly conservation conscious age, but was scarcely planned with any modern work-function in mind. Both examples can be found in their hundreds.

CONTINUED ON NEXT PAGE

A warehouse development by CIN Properties and Sir Robert McAlpine and [...] at Hayes Industrial Park.

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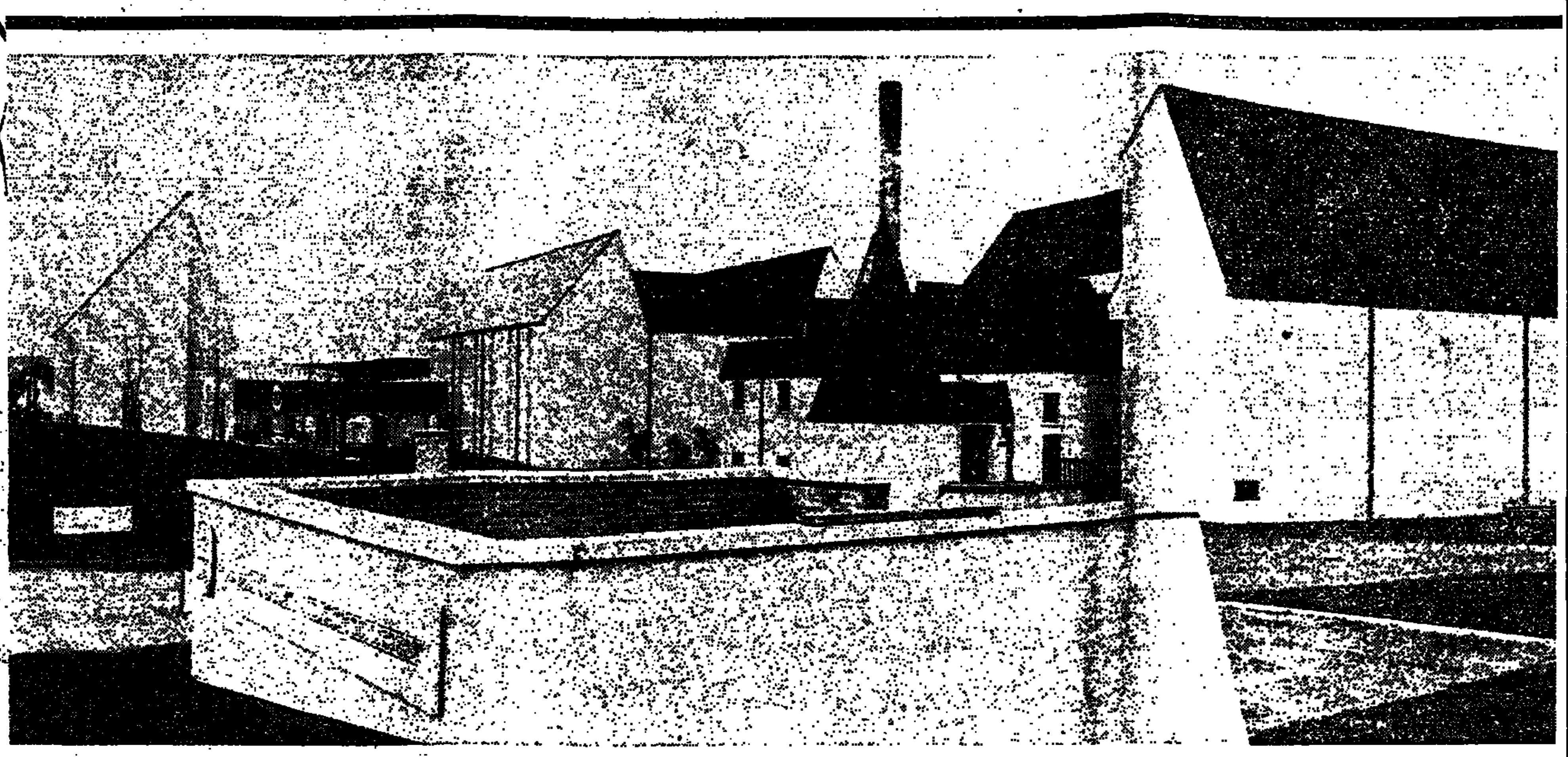


Runner-up in the Financial Times 1975 Industrial Architecture Award was the Auchriosk Distillery, Banffshire.

Higher costs mean new warehouse requirements

ction of management, distribution has only ned senior status in panies. In manufactur- ry particularly, there a tendency to concen- naking goods and sell- with anything which between the factory the customer reduced wly level of "trans-

ught of physical dis- being a positive con- profitability was, out- companies and the they dealt with, slow n. A sign of manage- *osophies was the diffi-* ny companies had in ling with the Price on: the rules in the e are drawn up on the he total cost of manu- industry, which in- e costs involved in ng, maintaining and stribution system. But anies which work in production costs plus figure for overheads g distribution—iden- tual changes in these in order to justify eases meant doing a sums.

nowever, has changed nt thinking faster ade of business school could have. The in petrol costs was half of the influence. erest rates and the quidity squeeze have the cost of stockhold-

ising is one of the three key costs in physical distribution, along with transportation and stock control. The Whitehead Consulting Group survey of physical distribution management, which has provided the source material for most thinking on this subject, found that these three particular costs amounted to about 8 per cent. of companies' gross sales revenue.

Transport was the largest item in a majority of cases, and this priority has probably been extended since the survey was completed. But for one in three of the companies studied, warehousing costs exceeded transport.

Research

Some of the details Whitehead included about warehousing requirements were particularly valuable to specialist industrial property groups, starved, as the property industry often is, of extensive market research.

Only a fifth of the companies had warehouses of more than 50,000 square feet. The proportion of warehouses with stacking heights of more than 21 ft. was 15 per cent. (only two companies, incidentally, were using the high-lift turret trucks which take stacking capacity through the 30 ft. mark). Nearly two-thirds of the warehouses were purpose-built (it would be interesting to find the purpose-built percentage for warehouses occupied in the past two years). A third of the warehouses had been occupied for more than 10 years and 37 per cent. of the companies surveyed operated more than six warehouses.

So the broad picture emerges of a lot of small, rather low warehouses. The small element remains to-day: almost all companies and agents agree that the biggest demand at present is in the 10,000 square foot or under range. But the height factor has been changing with the progress in mechanisation which, along with automated inventory and stock systems have revolutionised the inside of the modern warehouse and cut the labour element dramatically. The company taking warehouse space is talking in property terms of £s per square foot, but is thinking in cubic feet.

The high incidence of 20 feet industrial buildings is in a sense, a compromise, coming between the pure industrial use requirement of 15 feet or lower and the four loads of a fork-lift pallet which take one up to 23 feet. But with speculative buildings on industrial estates, future marketability has to govern planning.

Where the size and height requirements in warehousing move next is a key question. There was a strong move in the early 1970s towards the concept of a few very large warehouses to replace perhaps dozens of small ones.

The theory of the major warehouses relied on saving handling charges; saving on buffer stock; and, apart from this safety margin, saving on average inventory levels by postponing charges in inventory location to the latest point in the marketing flow, thus producing flexibility and reduced risk.

Against this, transport costs were likely to go higher, with the danger of longer journeys and small loads unless orders were grouped. The two views were neatly illustrated in the specialist distribution field, where a newcomer, Cory Distribution opted for the few large warehouses concept, and the longer-established market leader, SPD, stuck to a greater number of units.

Specialist distribution companies, rather than manufacturers or retailers running their own fleets, probably have a better chance to make the large warehouse system work. Mr. Nigel Walker, Lecturer in Estate Management and Valuation at the Department of Surveying, Portsmouth Polytechnic, concludes in a recent study that "the trend of a few years ago for firms to contemplate a single cast central warehouse and relatively cheap transport has been halted by escalating oil prices and shortages."

Motorway

He also points out that the Whitehead figures confirm a fast-changing pattern of warehousing. That more than two-thirds of warehouses in the survey had been occupied for ten years or less indicates that this is one area where, largely in response to the opening up of the motorway system, British *industry cannot be accused of* basing its property planning decisions on inertia.

Where the charge of inertia might be levelled is at many property companies, some of them completely untried in the industrial field, who in the years when it was possible to develop for the sake of developing, thought warehousing, particularly in the South East, seemed an easy option. There is plenty of evidence, still unlet to-day, of wrong decisions, many of them taken on the basis that being five miles from a motorway guaranteed demand. The extent of this secondary industrial building has complicated the demand picture for warehousing.

For instance the Kent Branch of the Incorporated Society of Valuers and Auctioneers has a new report out maintaining that, despite the space planned or built in anticipation of the Channel Tunnel, there is still a substantial demand for warehousing in the key areas. The county contains its own test case, for agricultural or horticultural products, in the 250,000 square foot Transfese rail terminal and the 320,000 square foot Paddock Wood Distribution Centre.

The continuing attraction of the right locations, those spots which the computer throws up as the maximum advantage distribution centres, was illustrated in a time of low land prices by Wingate Investments' sale for close to £650,000 of 11 acres of the former Handley Page complex at Radlett, South Hertfordshire. The buyers, both to build distribution depots, were Adams Foods and Imperial Group.

One key factor, however, in warehouse demand should the economy pick up, will be the extent to which industry is prepared to expand its own distribution facilities, or opt for the specialist carriers and hauliers, most of whom at present have ample space. The arguments for not tying up capital in an in-house system will be powerful. Also, if stock levels do begin to fall, there may be a balancing amount of space coming back on to the market to equal the quantity of new demand. The large amount of space taken last year on a short-term basis—often using the procedure under the 1969 Law of Property Act—was advantageous to tenants in what they hoped was a temporarily over-stocked situation as well as landlords who thought they were not getting true rentals.

As part of the increased emphasis on physical distribution in management, warehousing decisions must become tougher. With rising transport costs and more automation, exact location and more specialised buildings will be the key questions in warehouse development.

Q.G.

Design

CONTINUED FROM PREVIOUS PAGE

Another cause for the poor standard of design of industrial building is the reluctance of successive managements to take the considerable corporate and personal risk of modernisation on (largely) borrowed money.

The solution is simple and in danger of being overquoted: take the risk and modernise. Where existing buildings have to be adapted, plan these adaptations so that they will be up to date in 10 years' time. Where new buildings are to be planned, design them on the most far-reaching projections of likely work processes, future distribution systems and human behaviour patterns. This is not beyond our capabilities. Britain is currently successfully exporting her industrial expertise to developing countries; our own industrial architecture, at its best, is at least 10 to 15 years ahead of current industrial needs.

Compliance

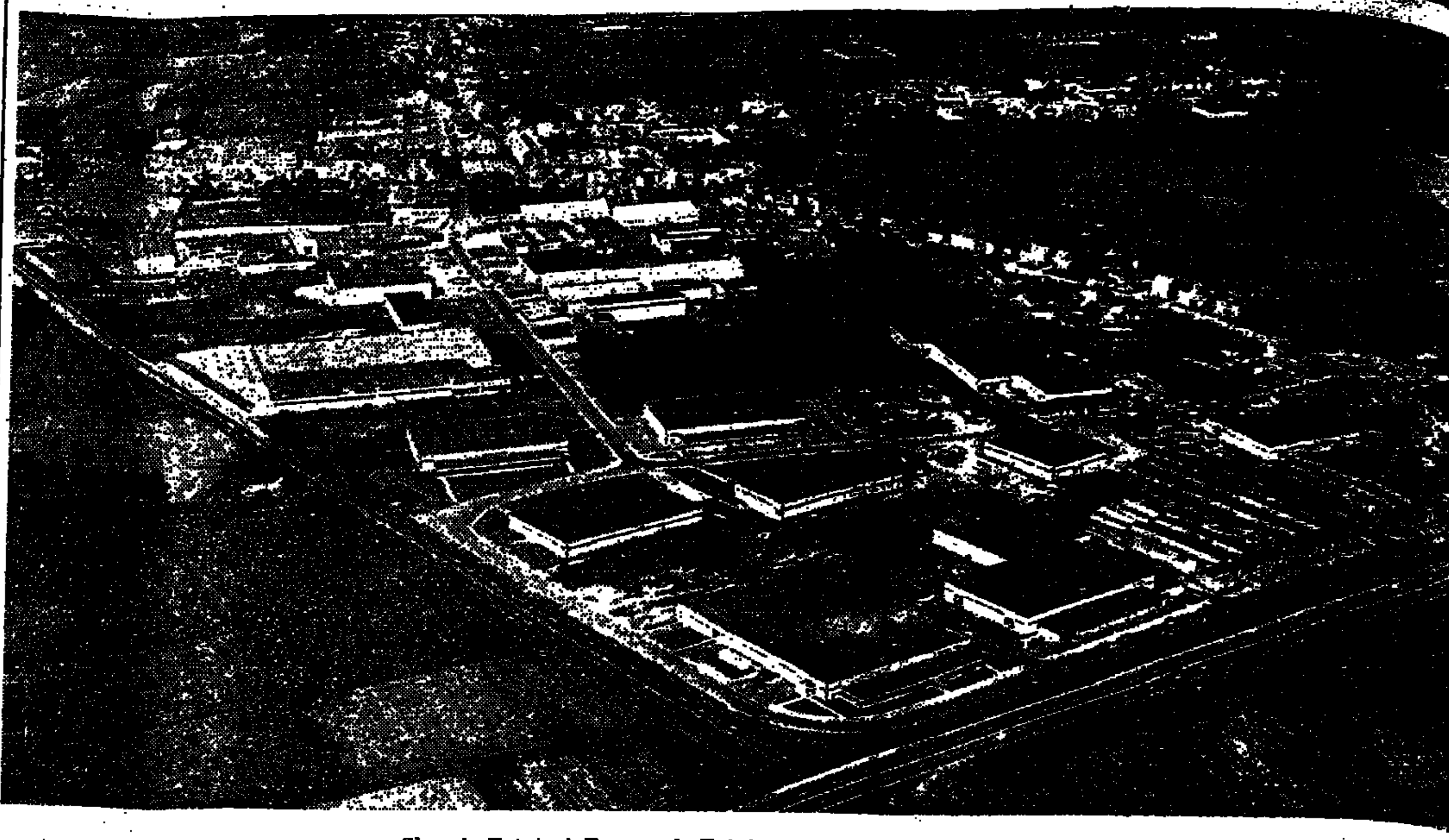
However, major problems can safely be predicted at the end of this year, when the far-reaching and potentially expensive provisions of the Health and Safety at Work Act 1974 must have been complied with. The Act will improve safety, health and welfare but will it improve the work process? The amount of money and organisation that compliance with its provisions will consume will in many cases effectively stop many rebuilding plans or a rehabilitation job—even though, ironically enough, the Act itself involves modernisation to a degree.

The current trend, however, is to play it safe and to do as little as needs to be done. As Factory Equipment News announced in their final editorial of 1975: "Manufacturers have spent money only where they have been forced to and this has only meant minor plant improvements and the changes necessary under the Health and Safety at Work Act."

Apart from ad hoc improvements or modernisation on the stop gap principle, a growing trend for firms wishing to improve their facilities is to move to spec-built factories, which usually consist of large open-span buildings, with flexible open space, dispensable non-load-bearing interior walls and provision for office space. Frequently built on the modular system with each module containing essential supply services and allowance for the fitment of partitions, this type of building is much used by smaller companies and is frequently less expensive to rent or buy than the possibly appalling cost of altering out of recognition an already unsuitable building in an attempt to modernise it.

A good example of this is the new premises occupied by the Jay Brown Group at Cricklewood, in north London. This group of contract furnishers urgently needed up-to-date premises to store and distribute their lines of furniture. Their new premises are in an older building converted and designed so that the occupants can literally "move around" in them, expanding or contracting departments in any way they wish. Office facilities and warehousing and distribution facilities sit cheek-by-jowl, providing easy access to each other and the dispositions within the building can be planned ahead for the next ten days. A great deal of forethought was needed by the company's executives, but perhaps in their case it was easy; they have a professional design team who make a good living planning other people's layouts.

Max de Trensé



Slough Estates' Europark Estate at St. Niklaas near Brussels.

Little activity in U.S. and Europe

THE INDUSTRIAL property scene in both Europe and North America is currently bearing all the marks of the recession with little letting activity, weak rents and very few new schemes being started. The message is the same almost everywhere and has meant that the rapid expansion of British industrial developers on the Continent has come to a halt—and indeed some financially troubled companies have withdrawn, or are doing so.

An industrial project—Slough Estates' St. Niklaas 63-acre Europark industrial estate between Brussels and Antwerp started well over a decade ago—was in fact the first major British acquisition on the Continent. But it was very much the exception and most of the initial deals involved office developments and investments. This is partly because offices appeared a more straightforward field to move into, though outside Europe several British companies, including MEPC and Slough, have been active for some time in developing industrial space in, for example, Canada.

A constraining factor on the growth of industrial projects was the general preference in most Continental countries for ownership rather than renting—and this limited the early success of the St. Niklaas project. This was reinforced by the absence, even more than with offices, of any traditional framework for developing and letting space, then selling to or funding with an institution.

Moreover, in many parts of the Continent the developer is at a disadvantage relative to the owner occupier because of specific incentives granted to the latter on the building of factory or warehousing space. In the Netherlands, for example, municipally owned sites are available near most major towns with space being built in well under a year to a company's own requirements with finance also available.

Consequently, few developers became involved in the industrial sector at the beginning of the "boom" period of the early 1970s — one of the few exceptions being Mackenzie Hill in France. However, the proportion of rented space began to increase from the late 1960's onwards as demand grew for letting — particularly from multinational groups from the U.S. and Japan accustomed to renting certain types of industrial building.

As this demand started to expand so did the activities of developers providing space for renting—not only British companies but also U.S. organisations such as Trammel Crow. The main British companies involved in this area were Mackenzie Hill, Bovis, Brixton Estate, the Coal Industry pension fund, Investment and Property Holdings, Intereuropean Property Holdings, Lyon Group, Lynton Holdings, Property Security Investment Trust, Reamhurst Properties, Stead Investments, and Westmoreland Properties.

Warehouse

Most of these companies have been involved in warehouse projects around distribution centres such as airports and motorway links. There has, for example, been a cluster of warehouse schemes around the exits to Paris leading to both Orly and the new Roissy airport, and similarly at Zaventem in Brussels. In Germany, Porz, near Cologne, has attracted three British developers—Westmoreland, Investment and Property Holdings, and a joint Slough/Mackenzie Hill company—at one time at the end of 1974 they were developing over a quarter of a million square feet of space.

The total activity was on a much smaller scale than in the office sector—partly because the letting market was in a relatively undeveloped state in a number of countries but also because the British acquisitions were generally made towards the end of the main "boom" period. As the list of companies mentioned above shows, most of the leading specialist industrial developers in Britain were involved by the end of 1973.

The expansion stopped in most cases at the end of 1973 and in the early months of 1974 because of the combination of the worldwide recession and financial squeeze and the specific problems of many property companies within the U.K. Although there is little public evidence available, it seems that few companies have run into problems specifically because of their industrial schemes on the Continent. And the phasing of development and the small time lag between initiation and completion relative to offices has had the apparent result that there are not too many problems with void space.

In most cases, problems have arisen because the acquisitions had been financed on too short-term a basis or because of the fundamental weakness of the company back in the U.K.—Lyon being the prime example here. But steady cash flow pressures have also led to the sale of the subsidiary operating on the Continent or some of the Continental schemes—in some cases to British institutions. Hill Samuel, for example, has taken over the shares it did not already own in Reamhurst, a company which had been particularly active on the Continent.

Partnership

Apart from these transfers between one British company and another, it is difficult to estimate the size of the withdrawal over the past two years. Though it is clear that a number of companies have retained and are determined to retain a number of industrial projects as long-term investments and have funded them accordingly. Of course, in a number of cases, projects had anyway been pre-funded with an institution—for example, Investment and Property Holdings' 23,000 square metres industrial scheme at Wissous in France is being carried out in partnership with the Abbey property bond fund.

At present, few British companies would find it easy to raise new money for schemes with Continental banks or institutions and British financial organisations are also generally unwilling to provide funds for new developments or investment projects abroad. The tightening of exchange control regulations on the movement of capital abroad in the budget two years ago has acted as a check here. But even those companies with existing strong cash resources which can be used abroad are unlikely to start work on new projects until demand shows signs of improving.

Apart from the absence of new British acquisitions, the local industrial property scenes in most of the Continent are characterised by little development or letting activity. And while there has been no rental growth over the last 12 to 18 months, rents of prime new space have in general seldom dropped by much from previously achieved levels. This is in contrast to the situation on the other side of the Atlantic. There because of the very large scale of development of new factory and warehouse space on industrial parks, the drop in demand which has occurred has created a serious over-supply problem with falls in rents of a tenth or more being reported. On the Continent, however, development of space for letting has tended to be more modest with few large scale wholly speculative schemes, so there is less brand new space on the market though plenty of older buildings.

An illustration of what has been happening in one particular market—and in this instance probably fairly typical—has been provided by two recent surveys of the German property scene from Jones Lang Wootton and Weatherall Green and Smith, both of which have offices in Germany.

Weatheralls make the important point that while a number of developers have looked at the attractions of industrial development yields—currently 11 to 12 per cent.—only a handful of deals have been agreed during the last 12 months. This is due not only to the reluctance of developers to become involved in further commitments but is also because there is a shortage of suitable sites becoming available at reasonable prices for a normal speculative warehousing development.

The industrial investment scene has also been pretty quiet with little demand from German purchasers though some interest from international institutions. But there are too few deals to constitute a proper market with a notional prime yield of between 9 and 10 per cent.

Both reports highlight the weakness of the letting market over the last 12 months compared with previously. Jones Lang point out, for example, that while lettings have frequently been for three, five or 10 years, it has become increasingly difficult during the recession of the last year to persuade tenants to accept a period as long as 10 years.

Rents have remained fairly static during the last 12 months with the highest figures achieved in Munich [illegible] furt where the warehousing [illegible] per month, according to [illegible] Lang, is DM5.50 to D[illegible] metre a month. W[illegible] suggest that the cur[illegible] mum rental level in [illegible] may be slightly lower [illegible] haps DM6.50 a square [illegible] per month normally [illegible] pinpoints several "[illegible] lettings" in the warehouse [illegible] ket.

Elsewhere, the scene has [illegible] quiet and Weatheralls say [illegible] in Dusseldorf, where ware[illegible] ing and industrial rents [illegible] remained fairly static during [illegible] last 12 months at [illegible] DM5.60 and DM6.50 a [illegible] metre per month, [illegible] schemes have been [illegible] securing tenants.

Ancillary

The range of DM[illegible] DM6.50 appears to be [illegible] for the warehousing [illegible] schemes with the [illegible] offices being offered at [illegible] DM9 in most cases though [illegible] maximum may be DM[illegible] Hamburg and Munich.

A broadly similar [illegible] seems to apply through[illegible] rest of the Continent, [illegible] deed in the U.K., with [illegible] change in rents over the [illegible] year or so because of [illegible] demand, though once the [illegible] revives there could be [illegible] movement again. However, [illegible] level of new British acti[illegible] seems certain to be [illegible] smaller than in 1972-[illegible] will probably, anyway, [illegible] involve some of the speci[illegible] industrial developers.

Peter Rid[illegible]

A lack of discipline in EEC farm policy

By JOHN CHERRINGTON, Agriculture Correspondent

iculture Ministers of are now taking part series of meetings to last until March in to try to fix prices for lucts over the next 12 The price fixing, how- subsidiary to other ich could well mean ges in the Common al Policy (CAP).

st obvious symptom of lying malaise is the between France and wine. The Italians gedly, been flooding with wine produced eaply than French could. The French violently, blockading overturning tankers, French Government, Community rules and ce of protests by the on, imposed a duty on This quietened the for a while but over ew weeks the fall in n lira has overcome rent effects of the rts have resumed and growers are again pressure on their nt to take action.

to the confusion the been sent to the Euro- t for a decision. And any reading of y rules, must go French Government. are seeking a way out ilemma which will set the French or the o much nor overload Farm Fund. Already n. Units of Account, tely £120m., have ated to spending on ng 1976.

h the cost of the e" amounts to only nt. of the Farm Fund highlights the funda- oblem of the CAP. policy was conceived. ed intention was to institute a common price system for European farming under which production would naturally go to the areas and farmers most suited to it. Those who could not compete in the market would, it was presumed leave the land and retire or be trained for something else, and production would equate with demand.

But the harsh wind of competition was to be tempered. A section of the Farm Fund called the Guidance Fund was designed to be spent on modernising farms, increasing their size and retraining farmers who needed it. Over the years, though, the Guidance Fund has never absorbed more than 10 per cent. of the Farm Fund budget, and more usually about half that figure. And while it is often claimed that the CAP was the means of moving large numbers out of farming, the rural population of the Six may, indeed, have halved since 1960, but as the result of national, and not Community, initiative and expense.

Damage

The competitive idea never really got off the ground for a number of reasons. It is probably true that the Italians, helped by lower labour costs, more sunshine and possibly a little clandestine help from the Italian Government with freight costs, were able to land wine cheaply in France. But in practical terms no government, French or otherwise, could allow one of its districts to become depressed and suffer not only social unrest but probably electoral damage as well because of a policy originating in a distant capital and understood by few of its citizens.

The apologists for the CAP claim that, because of the lack of monetary union, real competition has not had a chance, and will not until this is achieved. But this is not necessarily so. The theorists who founded the CAP ignored the realities of farming economics. Agricultural production costs, which determine competitive power, depend to a large degree on the attitude and aspirations of the farmer concerned. If he is prepared to accept the same price as his neighbour and maintain what he believes to be a satisfactory standard of living, it does not matter if he is milking 10 cows or 100. He will still go on producing.

Milk, indeed, is a good example. During the run up to the U.K. referendum last year, British dairy farmers were told that, because their businesses were structurally more efficient than those in Europe, they were inherently more competitive. This may be true in terms of margins per cow or per man employed. But if the competing farmers in Europe do not have a need for the same margins they are just as competitive. In a truly competitive situation, indeed, a decline in margins would probably push the large industrialised farm out of business first rather than the small family-run unit.

Nor had the spur to efficiency resulting from the reduction of the labour force been appreciated. Although the rural population in the Six has been halved in the last 15 years, the number of dairy cows has hardly changed, and the amount of milk delivered to dairies has increased by 50 per cent. It is not possible to control production by getting rid of farmers: the only way is to slaughter the cows and take land out of production.

Dr. Sicco Mansholt, the first Agricultural Commissioner, understood this and made himself extremely unpopular for advocating it. Slaughter premiums were paid for a while, giving farmers a splendid opportunity to rid themselves of poor yielders and restock with better ones. Under the Mansholt plan of 1968 it was suggested that 12-15m. acres of land should be taken out of cultivation and put to forestry or recreation. But the plan has been sunk without trace.

The milk situation is now becoming serious. Community production is rising at roughly 1 per cent. a year while consumption is falling by 1½ per cent. a year. The Community guarantee is maintained through the intervention price for butter and skimmed milk powder. The butter surplus is not unduly serious at the moment, an estimated 200,000-300,000 tons — but there are more than 1m. tons of skimmed milk powder in store.

This is a good protein feed for humans and livestock — but at the right price, which is half to a third the present intervention price. The reason such a high price was set was to prevent that for butter being made so large that an embarrassing surplus, with its political repercussions, would result. The consequence is a 1m. ton mountain of skimmed milk rather than a similar one of butter.

The latest idea for getting rid of the skim is to compel the use of 600,000 tons of it in animal feed mainly directed at pigs and poultry. The result would be to raise the U.K. price of pig and poultry foods by £4.50 a ton. Neither product is covered by intervention buying. So, in effect, one body of farmers with pigs and poultry would have to pay for the excesses of the dairy farmers without recourse to the Farm Fund or anything else.

There is, however, a consensus among Ministers that something will have to be done, particularly over milk. Milk support takes 42 per cent. of the Farm Fund budget and is expected to cost £1.1bn. this year, or about £44 per Community dairy cow. The Commission was directed to produce a reform package which surfaced last autumn and included a vague hint that farmers should be made responsible for their own surpluses. There was also the suggestion that milk prices should not be raised in the forthcoming packages if production continued to go up.

Dr. Sicco Mansholt, the first EEC Agricultural Commissioner: he understood that the only way to control production was to take land out of production.

Opposed

Both suggestions are being violently opposed by COPA, the Community farm lobby, which is calling for an overall price increase of 10 per cent. with no sort of restriction. British farmers are especially hostile, particularly to any suggestion of production discipline. They remember only too well the standard quantity system introduced by Sir Christopher Soames when he was Minister of Agriculture in the late 1950s, which limited the guarantee to a fixed quantity of milk. The balance was paid for at realisation, which meant that the overall price per gallon of milk fell below the guarantee as the surplus increased.

Many U.K. farmers are especially incensed because they cannot yet accept the fact that they are members of the Community, and that a Community milk surplus is one to be shared between all members. They have been told repeatedly by Ministers and farming leaders that U.K. farmers are the most efficient in the Community, and they fail to see why surpluses built up in other countries have anything to do with them.

A supply management or quota system is already in force in the Community for sugar, applying on a national basis. If the "A" quota is exceeded all excess production has to go into the lesser priced "B" quota. This will apply in the U.K. next year if the crop should exceed the "A" quota of 1.04m. tons.

The milk surplus is what is termed in Community jargon a structural one—that is, one that does not go away. The other structural surplus is in grain, and soft wheat in particular. Farm Fund expenditure on grain is budgeted at 700m. Units of Account (£400m.) this year, rising further as production increases. The Commission's suggestion here is a two-tier system, with a high price for bread wheats and a lower one, commensurate with feed barley and maize, for the soft varieties.

There is some sense in this as the bread wheats are lower yielders than the soft wheats and farmers need an incentive to plant them. The trouble is that quality of this sort is not easily measured and no one seems to be able to work out the right differential. One danger would be that, if the bread wheat price were too high, the acreage grown could be too large for the market and the surplus would have to be subject to intervention buying at a high price and be resold for feed at a much lower one.

In the end the Commission's only worthwhile suggestion has been that the guaranteed price for barley and maize should be raised to nearer that for wheat, without a positive recommendation for the bread wheat. The cost of this will again be largely borne by pig and poultry farmers.

Payment

The cost of the system applying to beef will fall if predictions that the surpluses and the need for intervention buying will soon be over prove right. For this reason neither the Commission nor other Ministers see why Mr. Fred Peart, the U.K. Minister of Agriculture, is campaigning for the beef premium scheme to be made a permanent part of the Common Market. At present, there is both a fixed payment, paid from the Farm Fund, and a variable one paid by the British Treasury. This amounts to a deficiency payment and was brought in as an alternative to intervention buying. Mr. Peart is obviously seeking to avoid the political liability of intervention buying should intervention prices be raised much further, as they are bound to be under the terms of the Treaty of Accession.

Whatever the results of the EEC Price Review, it is doubtful whether any worthwhile reform of the CAP will follow. Its cost and anomalies will multiply because nowhere except in sugar does it have a mechanism to bring back to the individual national producer the responsibility for his over-production. Until this discipline can be applied over the whole spectrum the policy will be a continuing and expensive failure.

Letters to the Editor

pean fusion rch

4. Nelson, MP.

Italian Ambassador. erto Ducci (February ating Ispra as the site opean fusion research preference to the boratory near Oxford, ets the findings of the Commission's "Site ."

nmission found that spra was among those advantages as regards equipment, Culham equipped for certain f fine and specific nology. As the prin- tive is to make JET ssfully, the basic con- must be to apply the to the project. They tedly to be found at the chief scientist of Atomic Energy Dr. Walter Marshall, concerned at the in- echnological resources ra team and British are equally concerned Commission estimates int Research Centre United Kingdom con- through the Com- lget of about £7m. in to £11m. by 1980. armed that this vital the siting of JET, inevitably determine n of future nuclear tors, appears to have not on grounds of erit but of political The failure of the tor project at Ispra, the Community opt for the U.S. tems underlines the of making the right the beginning and the project before technology super- ar from learning the are in danger of em- a more ambitious the wrong location lesser scientific team. same edition your rrespondent questions the British are really go to the barricades of Culham." There is on both sides of the Commons that only s the background ex- make the venture a d this view is being l in Brussels. During Committee debate on our-year research pro- the Joint Research Under-Secretary of Energy, replying to from Conservative the Government are t that Culham is the n scientific, technical onal grounds. We do r that Ispra is a suit- for JET, primarily has no experience in The British Govern- an urgent responsi- press the case for fore the Council of eet to decide on this r this month.

elson.

ommons, S.W.1.

l authority unting

. Day

r article with the all- heading "Accounts even accountants" 4) is misleading. Not nts are baffled. There ing bodies other than accountants and in he Institute of Public d Accountancy whose s the name implies. ists in the field of nce. Local authority is, because of the of the services being fferent in many ways mercial accounting where profit is the all-important factor. It is a case of horses for courses.

Colin N. Day.
4, Newham Close, Walton, Chesterfield, Derbyshire.

Students' plans

From Mr. J. Patrick.

Sir,—I feel that it is unfortunate that you informed your readers on January 28 that "Keele University students plan to stop work as part of their campaign for a free day nursery" when this was in fact not so.

At the time of your story there was a motion which was to be put before a union general meeting on February 2, proposing the setting-up of a working party which would consider what actions it felt would be appropriate as part of a campaign for a free day nursery. Such action might include some stoppage of work. That motion has since been passed and a working party set up.

If the working party does consider a stoppage of work necessary, then its suggestions would be brought before a union general meeting for approval. If this does happen and the union general meeting backs the working party's decision, then perhaps you would be justified in printing your original story.

James M. Patrick,
Students Union,
University of Keele, Keele, Staffordshire.

Widdicombe unfair

From the Chairman
Royal Philharmonic Orchestra

Sir,—On your Arts Page of February 3, your correspondent, Miss Gillian Widdicombe, reviewed the recently-published London Orchestra Concert Board report presenting her ritual castigation of the programming policies of the four independent London orchestras. One has, of course, become accustomed now to Miss Widdicombe's periodic outbursts but on this occasion perhaps you would extend me the courtesy of your columns to comment on some of her more fanciful excesses.

For example, Miss Widdicombe surely does not seriously suggest that Mozart should be confined to only the "proper" chamber orchestras? Directed by Erich Leinsdorf, our three all-Mozart concerts were presented as musically interesting and were in no way "related to economic experience." Further, the RPO's contribution to the year's Beethoven output was only 20 per cent.—not an unreasonable proportion.

Our "Tinker, tailor, soldier, sailor's" included Kempe, Martinon, Rowizcky, Boult, de Burgos and Leinsdorf who accounted for half of our 32 concerts.

Miss Widdicombe lists a number of "popular" works performed only once during the season—all by the RPO. I sincerely apologise for this gross exposure. I note, however, her plea for Tchaikovsky's 1812 Overture and I wonder which orchestra will satisfy this craving? Had Miss Widdicombe read her LOCB report further, she would surely have noticed that, in addition to "popular" works, the RPO gave nearly as many performances of works by living composers (12) as the three other independent orchestras together (13). I note Miss Widdicombe's concern that "living composers did badly." The RPO's average attendance at the Royal Festival Hall during the season was over 80 per cent. so that it would appear that many concert-goers do not share your correspondent's views, and this would seem to justify the manner in which we accept our responsibility for the spending of public funds.

I doubt that Sir Thomas would "tut" at the RPO's present day offerings. I do think, however, he would have reserved a large, exasperated "tut" for the evident impossibility of the London orchestras ever satisfying Miss Widdicombe's desires.

Brian Smith.
97, New Bond Street, W.1.

Blumlein, not Baird

From Mr. F. P. Thomson

Sir,—The editorial accompanying Lucia van der Post's solutions to the New Year quiz, Who invented what?, admits that "two very learned readers" challenged the claim that Edison invented the lamp bulb. Although not so learned, but with considerable personal involvement with TV development in its formative days, I should like to challenge the claim that John Logie Baird's name should be associated with TV as we have known it for the last 40 years or so.

The facts are that Baird was one of several people who helped to develop the concept of TV. When the British Broadcasting Corporation decided to commence a full public service it elected to try out the Baird system and the Marconi-EMI system, competitively. Towards the end of 1936 the latter system was chosen in preference to that of Baird, for it was found that the Marconi-EMI system provided a picture of higher quality and with far less flicker; also the purely electronic nature of the equipment gave greater scope for further development and improvement. To this day, the BBC TV1 channel uses the Marconi-EMI 405-lines 50 frames per second interlaced standard.

In front of me is a copy of a letter written on February 20, 1935, by the chairman of the Department of Scientific and Industrial Research TV Advisory Committee requesting the supply of specifications for the London TV station's transmitting apparatus. Marconi-EMI handed in its specification on February 26, 1935, and it describes substantially the same standard as BBC TV1 observes to this day. The corresponding Baird specification was not handed to the committee until April 26, 1935.

The supreme architect of the Marconi-EMI system specification was Alan Dower Blumlein, a brilliant young man born in Hampstead of Scottish-South African and British-German parentage, and chief engineer of EMI research laboratories. His name is practically unknown to the public because, when he was killed in a Halifax bomber crash in the Wye Valley in 1942, he was engaged on technological developments so secret that a hint of their scope only started to emerge with release of the Cabinet papers under the 30-years rule; he was also extremely modest and not given to self-advertisement.

One indication of the practical and mental ability possessed by Blumlein, and which was the major factor in giving the world TV, may be gauged from the fact that his master patent for stereo recording (how many of us think of Blumlein as the inventor of stereo records?) was adapted by him to provide Britain with front-line defence against German bombers until radar was sufficiently developed. His "sound locator" was the principal means for detecting the approach, direction and altitude of raiders during the early stages of the war. Called by some the first systems engineer and, by others, the master mind of the electronics age, Blumlein's breadth of ability and inventive genius was fully concentrated on developing a viable TV system and to him must be given full credit as the inventor.

In June, 1977, a blue commemorative plaque will be affixed by the Greater London Council to the wall of the Ealing (London) house that was A. D. Blumlein's home at the time of his death. He will be the first to be described on a GLC plaque as an Electronics Engineer and Inventor. Aptly so for during his short working life he was awarded over 130 patents, or one patent for each six working weeks, a record never excelled.

F. P. Thomson.
39, Church Road,
Watford.

Saving on civil servants

From Vera Cocks.

Sir,—With reference to recent correspondence regarding overmanning in the civil service, I can think of one way in which there could be a saving without loss of service.

From figures recently quoted in Parliament, it appears we have 719,145 civil servants, excluding the nationalised industries. These civil servants enjoy an extra day's holiday per year when it is the Queen's birthday, a fact it is hard to understand since she is everyone's Queen.

If this privilege day were to be withdrawn, this would mean a saving of some 2,616 civil servants, worked out as follows: 719,145 days at a 37-hour week = 136,054 weeks, divided by 52 weeks a year = 2,616 personnel, who on an average yearly salary of £2,000 (on the low side) would represent a yearly saving to the taxpayer of £5.2m. per annum—a not inconsiderable sum.

Vera Cocks.
417, Fulwood Road,
Sheffield, 10.

Distribution of wealth

From Professor D. Myddelton.

Sir, — Professor Eilon (February 3) is quite right: we need wider, not narrower differentials. But he omitted to mention tax!

If graduated rates of income tax above the basic 35 per cent. rate were completely abolished for the top 65,000 people, earning at least £10,000 in 1974-75, only about £183m. a year gross tax revenue would be lost—that is, about 14p a week for each of the 25m. workforce.

After allowing for the costs of collection, and for all the wasted time and energy of many of the most productive people in the country, the real net cost of abolishing graduated rates of income tax would almost certainly be negative. That is, total tax revenue would actually be increased!

In these circumstances it is hard to see any justification for keeping the graduated rates of income tax.

D. R. Myddelton.
Cranfield School of Management,
Cranfield, Bedford.

War against the rabbit

From Anne Scott.

Sir,—Mr. John Cherrington (January 30) is only half right in saying that his views on renewing the war against the rabbit would "infuriate" the conservationist. Amaze and infuriate would be more apt I think.

While the rabbit population must obviously be held in check, to suggest that the deliberate reintroduction of myxomatosis would be the "least cruel" method of control is surely open to violent contradiction. The animal takes anything from 7 to 15 days to die after the onset of this disease, becoming totally blind and incapacitated so that, unable to feed, the cause of death in many cases is starvation. The least cruel? Surely not.

The case for poisoning is fraught with both known and suspected dangers—poison being the indiscriminate killer that it is—but it is the advocation of the destruction of the hedge that perhaps causes the most concern. Financially, a recent costing placed fencing at nearly double the cost of the hedge over an 80 year period with fencing needing periodic repair, and replacement every 20 years or so, against the hedge's indefinite life span and negligible annual trimming cost. This apart, the hedge is an essential link in the complex chain of nature balance and gives a diversity to farmland which can only add to the stability of the farm ecosystem—a system from which man cannot divorce himself no matter how pressing the economic argument.

Anne Scott.
68, Donald Crescent, Troon,
Ayrshire, Scotland.

Freight by rail

From The Public Relations Officer,
BR Eastern Region

Sir,—Readers of your otherwise excellent survey on Yorkshire and Humberside (February 2) may have gained the impression that railways no longer exist in the area; in fact they make a massive contribution to its communications and its industrial activity which only too often, as in this case, are completely ignored to the detriment of British Rail. The map of the area did not show a single rail route.

A brief reference was made to British Rail's Inter-City services with "Good 'Executive' trains from Leeds, Bradford and Sheffield to London," and to our future 125 mph High Speed Trains, but there was no mention of the frequent daily services between these and other centres in the area and to all other parts of Britain, nor was there even a comment about the vital contributions made by our Railfreight services to many of the area's immense industrial activities and on which the viability of some of them literally depend. Railfreight's role is critical to many industries in Yorkshire and Humberside.

Tens of millions of tonnes of other freight moves over rail routes (some of which are being improved) to destinations in Britain, on the Continent and to ports for shipment overseas. Humberside originates many millions of tonnes of Railfreight traffic but there was no reference to British Rail's contribution nor to our new air-braked freight train service running at speeds of up to 75 mph and which now links Humberside with a number of main centres: a network which is rapidly being extended elsewhere.

As for attracting the larger undertakings who may well be interested in British Rail's unrivalled expertise in the field of bulk movement, the railways have well-sited parcels of land readily available for the right development, where a private rail siding could qualify for a Government grant of 50 per cent. under the Transport Act 1974.

C. W. F. Cook.
York.

To-day's Events

GENERAL

European Central Bankers begin two-day meeting, Basle.

EEC Foreign Ministers begin two-day meeting, Brussels.

Financial Times two-day conference on "Pensions in 1976" opens, Royal Lancaster Hotel, W.2.

Mr. Len Murray, TUC General Secretary, addresses Insurance Institute of London on "The Trade Union Attitude to Occupational Pensions Schemes," 20, Aldermanbury, E.C.2.

Mr. Knut Hagrup, president, Scandinavian Airlines System, speaks to Chartered Institute of Transport on "Co-operation in European Aircraft Manufacturing Industry and among Scheduled Airlines," Royal Commonwealth Society, W.C.2.

PARLIAMENTARY BUSINESS

House of Commons: Private Members' motions. Motions on Select Committee on Abortion, Community Land Orders, and Landlord and Tenant Regulations.

COMPANY RESULT

Manchester Ship Canal (full year).

COMPANY MEETINGS

See Week's Financial Diary on page 25.

COMPANY NEWS

Hall-Thermotank chief opposed to bids

SIR IAIN STEWART, chairman of Hall-Thermotank and a substantial holder with 20 per cent. of the group's equity, makes it clear in his annual statement that any bid for the company would not meet with his approval.

He refers to P & O's stated desire to dispose of its 33.43 per cent. holding in the group at a "realistic price," and recalls that some potential purchasers were interested not only in acquiring those shares but also in making a bid for the whole group. Although a number of approaches have been made no definite offer has emerged, but the "uncertainty this has engendered is most unsettling for all concerned," says Sir Iain.

The chairman stresses that the prospect of being party to the sale of the whole capital is not something that he welcomes, particularly so since the group is now in a strong healthy position to cope with the future. Nevertheless in view of present circumstances the group's future destiny as an independent unit must be in question and the chairman finds it impossible to predict the outcome of discussions currently in progress.

Following a record year in 1975, Sir Iain reports that order books are satisfactory, the liquid position is sound, and prosepcts are bright.

As reported January 27 group pre-tax profits for the year ended September 30, 1975 increased from £2.63m. to £2.85m. on a turnover of £52.83m. (£45.36m.). An analysis of the turnover shows that £33.35m. (£30.27m.) is in respect of U.K. companies and £19.48m. (£15.09m.) overseas companies.

Higher interest

The chairman says that despite inflation, a recession in world trade and important changes in the pattern of demand, all companies in the group performed well. There was a marked increase of £424,000 in net interest costs which tends to conceal the 25 per cent. improvement in the underlying profit before interest. Positive steps were taken early in the year to reduce stocks in order to moderate the impact of inflation and, at the same time, to reduce borrowings.

Profits from overseas companies showed a further improvement despite lower than expected profits from South Africa. In Australia there was a return to profitability and the new companies in Ireland and Germany made a satisfactory contribution. The group has continued to penetrate new export markets and despite difficulties in the home market is steadily increasing its share of available business. Export orders of over £11m. were secured during the year.

Reviewing the operating companies the chairman reports that Hall-Thermotank International ended the year with a record order book; Hall-Thermotank Products has offset a downward trend in U.K. and European business by penetrating new overseas markets, and the outlook is encouraging; while at Hall-Thermotank Medafric the high cost of operating in the Middle East resulted in a loss of £98,000 in its first year.

Capital expenditure of £1.46m. during the year marked the end of a major reconstruction programme and outstanding commitments are modest. Further investment plans are under consideration, says Sir Iain.

The group has operated within the limits of its facilities both at home and overseas. At September 30 some £2m. of bank financing was being used to finance the overseas subsidiaries and a further £600,000 to finance exports from the U.K.

During the year there was a net outflow of liquid funds of £1.49m. (£2.57m.) — a decrease in cash balances of £1.51m. (£539,000) and an increase in short-term deposits of £16,000 (£2.03m. decrease).

The directors consider that at September 30 the group's properties had a market value of some £7.9m. compared with a net book value of £4.27m. If this surplus were incorporated into the group balance-sheet it would increase the net asset value per share from 94p to 118p.

Apart from P & O the only other substantial holder at January 26 was the chairman with 20.17 per cent. of the equity.

Meeting, 242, Vauxhall Bridge Road, S.W., March 4, at 10.30 a.m.

Chairman's statement, Page 19

HIGHLIGHTS

While the weekend post bag contains a couple of reports from sizeable companies the current week promises to be just as quiet as last for company news announcements. What action there is seems to be mainly centred on Tuesday and Wednesday. To-morrow final results are expected from **Imperial Group** along with interim figures from **De La Rue**. On Wednesday **Securicor** is scheduled to produce its prelims while interim statements are due from **Dalgety** and **United Dominion Trust**.

Phoenix Term Assurance for self employed

Phoenix Assurance Company is launching its Phoenix Term Assurance contracts especially designed so that it provides maximum tax relief on the contributions and complete tax exemption on the death sum if left to the investor's wife.

Under the 1970 Income and Corporation Taxes Act, the self-employed can obtain complete tax relief on the premium, not just the life assurance limit of 17½ per cent., and the premiums can be invested in a tax-exempt fund providing bigger benefits per unit premium than under a normal term assurance policy.

For example a premium of £100 a year gross will provide a death cover of £28,280 for a self-employed man aged 30 next birthday.

Cohen and Wilks omits preference

Despite a return to profitability in 1975 Cohen and Wilks (Holdings), manufacturers of ready-made garments, has decided not to pay the Preference dividend for the half year ended December 31, 1975. The Preference is in arrears from July 1974.

The directors explain that the level of profitability after reorganisation expenses is still not sufficient to warrant the resumption of dividends, against a background of a substantial trading loss in 1974, and the need to retain cash in the business.

In 1974 the group recorded a pre-tax loss of £434,506 but was back to a profit of £34,900 for the first half of 1975. No Ordinary dividend has been paid for some years.

The directors also announce the sale of Cohen and Wilks International. Mr. B. Spink has now resigned from the Board.

Peacock Sasini warning

Pre-tax profits of Peacock Sasini Estates for the current year will be somewhat lower than the £634,542 achieved in 1973-74, but as forecast at the time of the rights issue the directors expect to pay a final dividend of 1.74493p on the enlarged capital to make a total of 2.74493p for the year compared with 2.49539p.

They expect that the coffee crop for 1975-76 will show a "useful improvement" over the previous year. During the last six months world coffee prices have virtually doubled as a result of frost in Brazil, civil war in Angola and floods in Colombia and consequently a very successful year in 1976 is anticipated.

Rights issue results

Armitage Shanks Group's rights issue to raise £2.24m. on the basis of one-for-four at 54p has been taken up as to 94 per cent. The balance has been sold in the market in accordance with the terms.

Brentnall Beard's rights issue of one-for-three at 55p to raise £0.3m. has been accepted as to 96 per cent. At the recent annual meeting the chairman Mr. Frederick Brentnall Beard, told shareholders that while the directors have nothing in the pipeline in the way of expansion they consider that they have gone to the public for money at the right time. The meeting approved an increase in the authorised capital to £¾m. from £½m.

Centreway first half setback

Directors of Centreway Securities report pre-tax profits down from £317,000 to £74,000 in the half year ended September 30, 1975, but on present information, they expect profits for the second half will be materially higher than those now reported.

The interim dividend is held at 0.879p net per share—the total last year was 1.823p on pre-tax profits of £531,483. First half earnings per share are stated as 0.864p (3.5p)

Turnover was down slightly at £2.12m. (£2.21m.). Tax charge is £36,000 (£165,000) leaving net profit at £38,000 (£152,00).

The directors say that because of recessionary trading conditions experienced since April 1 last year, the group had been able to halve its level of borrowings by the end of December.

Tax hits Scott. Utd. earnings

FOR 1975 revenue before tax of Scottish United Investors rose £66,000 to £1.98m., but the net available for Ordinary fell from £1.23m. to £1.13m.

Earnings are shown at 1.6p (1.81p) per 25p share. The final dividend is 1.1p, payable on March 26, to make 1.55p; this compares with the equivalent of 1.67p including a special payment of 0.267p.

The tax charge amounted to £782,000. In 1974, it came to £564,000, after crediting £163,000 arising on the change of basis of tax to imputation system.

	1975 £	1974 £
Revenue	1,962,567	1,916,464
Corporation tax	171,357	152,910
Overseas	135,133	142,625
On franked income	475,109	432,125
Credit	—	163,934
Net revenue	1,201,068	1,352,738
Preference dividend	67,200	67,200
Available	1,133,863	1,285,538
Ordinary dividend	1,099,609	1,182,375
Revenue reserve	34,259	103,183

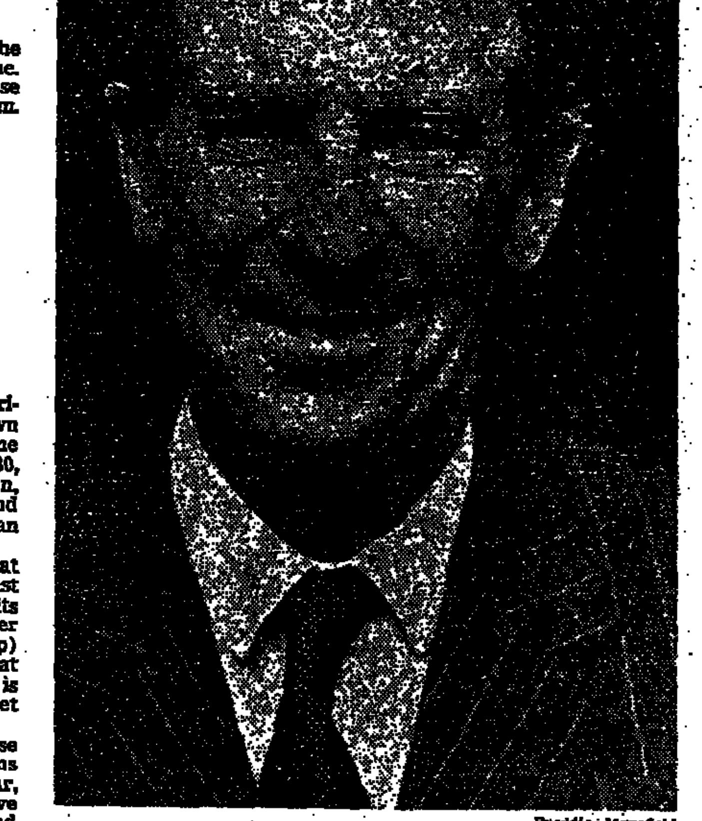
Based on a valuation of investments on December 31, net assets available for Ordinary amounted to £64.08m. (£37.30m.) equivalent to 90p (53p) per share. Where applicable the investment currency premium of 62 per cent. (69¾ per cent.) has been added to the value of investments and to uninvested foreign currency.

New Malaysian insurance brokers

Standard Chartered Bank, together with Bland Payne, the international insurance and re-insurance group, have formed a new Malaysian company with Malaysian majority shareholders.

Called Chartered Insurance Brokers, it is based in Kuala Lumpur, and is the third company to be formed in the Far East during the past three years by Standard Chartered and Bland Payne—who also manage their jointly owned London business, Standard Chartered Insurance Brokers (U.K.).

Commenting on the new formation Mr. Neil Mills, Bland Payne chairman, referred to the United Nations Committee which encourages developing countries to retain for themselves a larger share of locally generated premium income. "Chartered Insurance Brokers is the latest example of our policy of joining with local interests to develop new business in which our contribution is our specialist worldwide insurance knowledge."



Freddie Mansfield

Mr. John D. Pile, the chairman of Imperial Group, who is due to announce to-morrow the preliminary results for the year ended October 31, 1975.

Bestobell maintenance service

Bestobell, engineering and chemical products group, has formed a new subsidiary, Bestobell Service Company, which will undertake the maintenance of combustion equipment, instrumentation, control systems, heating appliances, boiler house and other plant.

Bestobell chairman, Sir Humphrey Browne, says for some years the group has provided, through Bestobell Mobrey, a maintenance service. Greatly increased demand for these services and the extension of capability to a wider range of equipment now require a separate operational unit, which can develop independently of the manufacturing companies in this rapidly expanding sector of industrial activity.

Bestobell Service's headquarters are at Slough. Regional offices are in Glasgow, Stalybridge, Rotherham, Dublin, Solihull, Bristol, London, Slough and Belfast.

Coronet Industrial off £28,000

Lower pre-tax profits of £355,705, compared with £382,402, is announced by Coronet Industrial Securities for the year ended June 30, 1975.

Dividend for the year is being kept at 0.35p net and again there are waivers on 958,500 shares.

Tax takes £211,000 (£202,500) leaving £144,705 net (£179,902).

Coronet distributes electrical and electronic equipment and makes clayware products.

GRE lifts surrender values

As from tomorrow, Guardian Royal Exchange is revising the basis on which surrender values are calculated, taking into account the improved stock market conditions and the recent fall in interest levels.

This will result in higher surrender values that almost restore the cuts made to such values that almost restore the cuts made to such values in January 1975.

S. WEBSTER EARNINGS

Brewers Samuel Webster and Sons announce that earnings per 50p share for the year to September 27, 1975, should be 24.9p, against 17.2p, and not 23p (15.9p) as reported on February 4.

Strong upturn by Dunlop SA

Dunlop South Africa, 70 per cent. controlled by the U.K. parent, reports 1975 profits up from R5.8m. to R7.9m. pre-tax, surpassing the 1969 level for the first time.

Turnover rose from R69.8m. to R85.2m., putting margins up nearly a point at 9.3 per cent. With financing charges down R0.1m. at R2.7m., and even after tax up from R0.6m. to R1.6m., earnings per share showed a strong improvement from 15.7 cents to 23.5 cents and the dividend for the year was raised 3 cents to 13 cents.

With the automotive side generating 55 per cent. of profits, Dunlop seems to have benefited largely from rising commercial vehicle sales, the passenger car market having been flat in 1975. Consumer products trading, mainly bedding and flooring, was indifferent but showed some signs of recovery towards the end of the year.

The Board says that management has responded vigorously to the need for conserving resources in the inflationary climate, reducing inventories and holding receivables in line with sales.

Capital expenditure was also held to a level less than the provision for depreciation.

Rashleigh Phipps

National Westminster Bank has agreed, for a short period, to provide funds for the wages of employees of Rashleigh Phipps and Co., over which it appointed a Receiver on February 3

The Receiver is unable to undertake any personal liability in relation to the company's existing contracts, but he is engaged in active discussion with main contractors with a view to their continuation, in the hope of an eventual reconstruction of the company.

CONFIDENCE AT CLAVERHOUSE TST.

Although there are still many problems, there is a greater feeling of confidence and optimism at Claverhouse Investment Trust, reports Mr. D. M. C. Donald, chairman in his annual statement.

Estimated revenue to be received in the current year indicates that a same-again dividend of 2.75p net per 50p share will be covered, he adds. As known, pre-tax revenue for the year 1975 was £0.45m. (£0.43m.)

Mr Donald says the results are better than were anticipated a year ago.

Dobson Park goo[...] first quarter

A "HOLDING YEAR" is being budgeted for at Dobson Park Industries, Mr. Harold Jowitt, chairman, tells members in his annual statement.

First quarter trading he describes as "good and even in the last weeks of the old year we have received one or two excellent orders in areas where order books had shortened."

The company intends to spend about £3.5m. on buildings, plant and equipment in the current year and this, combined with a strong balance-sheet and very low borrowings, "is the nearest we can provide to an absolute guarantee that, once confidence and markets return, we shall be among the leaders of revival."

The group does not intend to increase the amount of land or buildings leased to third parties but the return on such existing property is gradually being increased on the various lease renewal dates. Total value of such externally occupied land and buildings is £1.12m.—the overall value of industrial property stands at £8.84m. The division also owns farmland valued in 1972 at £0.26m.

Divisional income for the year to September 27, 1975, from both group-occupied and other properties amounted to £0.67m.

As reported on December 19, turnover for the year 1974-75 increased by more than 30 per cent. to £70.85m., which included U.K. sales £55.39m. (£38.96m.), North and South America £4.37m. (£2.52m.) and Europe (including Scandinavia) £5.68m. (£3.54m.). Pre-tax profit improved by almost 50 per cent. to £8.03m.

But on a CPP basis, sales were up from £71.62m. to £79.06m. and pre-tax profit ahead by 16 per cent. to £5.85m.

The chairman points out that adjusted retained earnings of £0.66m. are not sufficient for the replacement at inflated cost levels of both fixed assets and working capital.

Dividends for the year are raised from 1.627p to 1.736p net.

In the mining machinery division, good order levels for supports at Gullick Dobson and subsidiaries continue well into 1975-76, indicating "another satisfactory year."

At Becorit Grubenausbau, product development into the new shield-type supports has been particularly rapid and successful, so that the product range to-day is technically ahead of competition. This has established a very good home order book for the current year, but undoubtedly the present problems of the German coal industry will make the longer term orders more difficult, the chairman says.

In the engineering division, the industrial hydraulics section at Dobson Hydraulics h[...] to improve in both [...] return and, althou[...] minor setbacks in [...] ming of sales, is w[...] satisfy the market wi[...] moving and constr[...] tries return to norm[...]

Park Webb foreca[...] 1976 must be "less [...] because of reduced [...] demand but plans [...] made to extend [...] in the more speciali[...]

The Powell Baler [...] suffered from the p[...] decline but new mo[...] developed to take [...] the expected return [...] later in 1975-76.

It is difficult to [...] 1975-76 results at Ka[...] Hammers but all effo[...] made to maintain the [...] level of trading a[...] large export conten[...] the company's fa[...] expected, export ma[...] recover before the h[...]

Referring to Mark[...] ing Company, Mr. [...] that in the past yea[...] lian subsidiaries h[...] useful contribution t[...] fits. However, tradi[...] in Australia hav[...] noticeably in recent [...] the same levels of [...] will be difficult to [...] the immediate futur[...]

According to a s[...] source and applicati[...] there was an increase [...] funds of £0.98m., co[...] a decrease of £3.81[...] of an increase in ba[...] balances of £0.73[...] decrease) and an incr[...] term deposits 0.25[...] decrease).

Meeting, Nottingha[...] noon.

BOARD MEE[...]

The following compani[...] dates of Board meeting[...] Exchange. Such meetin[...] held for the purpose [...] dividends. Official indic[...] available whether divid[...] are interims or finals [...] divisions shown below ar[...] on last year's time-table.

TO-DAY

Interims:— Grimshaw[...] cliffe Industries.

Finals:— A. C. E. M[...] chester Ship Canal, Mc[...] Group, Scottish Western[...]

FUTURE DA[...]

Interims:—

Dalgety ...

United Dominions Trust ...

Wades Departmental Sto[...]

Finals:—

Aaronson Bros. ...

Commercial Union Assur[...]

Fisons ...

Foreign and Colonial In[...]

H. T. Investments ...

Whittingham (W.) ...

* Amended.

Wedgwood £¾m. ord[...] from Spring Fair

DURING THE 1976 International Spring Fair, the Wedgwood group achieved substantial business with home and overseas orders of around £750,000.

Chairman Sir Arthur Bryan reports that the large number of overseas buyers was considerably more than expected—particularly from European countries—and with better advance publicity for the 1977 Spring Fair this aspect should be even more encouraging.

The National Exhibition Centre at Birmingham now provides Britain "with a superb shop window to the world, and Wedgwood will certainly be there next year."

He was extremely satisfied with the business written at the Fair, but stressed that equally important now was the follow-up at retail level.

Avenue Close half year

Reporting half-year results for the first time, property investment and development group Avenue Close discloses a profit of £68,408 for the six months to September 30, 1975, before tax of £33,042.

For the year ended March 31, last year, pre-tax profits were £366,321.

Property investment income in the half-year was £160,287. Attributable profit was £37,479 after crediting £2,113 minorities.

Directors say a £34,096 loss on property development was caused by the policy of writing off all interest in developments in progress combine[...] fact that no disposal[...] ties were made [...] period.

Since April, 197[...] group's development[...] completed and maj[...] The Board remains s[...] the sound base and [...]

During the secon[...] group has begun to [...] rental reversions i[...] investment propertie[...] versions, together wi[...] tings, will increase r[...] by £210,000 per annu[...] tors say.

FT Share Informatio[...] Service

The following se[...] been added to the Sha[...] tion Service:— Hurst (Charles) (Secti[...] Garages and Dist.).

EAST LANCS. PAPER

The East Lancash[...] Group has formed a [...] chant holding comp[...] Lancs. Paper Mercha[...] will incorporate the e[...] merchant companies.

The East Lancs. P[...] chants Ltd., with a Lo[...] at James House, 5, [...] Street, London, S.E.1 [...] responsible for its ow[...] operations.

[Forthcoming company] dividends [timetable]

[The following is for the] convenience of readers the dates when some of the [more impo]rtant company dividend statements may be expected in [the next fe]w weeks are given in the following table. The dates [shown are] those of last year's announcements, except where the [forthcomin]g Board meetings (indicated thus*) have been officially [notified]. It should be emphasised that the dividends to be [declared wi]ll not necessarily be at the amounts or rates per cent. [shown in th]e column headed "Announcement last year." Preliminary [figures] usually accompany final dividend announcements.

Date	Announcement last year		Date	Announcement last year
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
...Mar. 9	Final 5.9%	Forte	...Feb. 24	Final 34.5%
...Mar. 18	Final 23.6%	*Tube Investmts.	...Mar. 24	Final 13.5%
		Unilever	...Mar. 4	Final 7.6%
...Mar. 13	Sec. int. 27.4%	Unilever NV	...Mar. 4	Final Fls.4.32
...Mar. 7	Sec. int. 5.9% ‡	Union Corpn.	...Feb. 26	Final due
...Mar. 5	Int. 17.9%	United Biscuits	...Mar. 11	Final 6.6%
...Mar. 14	42 cts.	Wedgwood	...Feb. 24	Int. 17.9%
...Mar. 19	Final 8%	*Woolworth (F. W.)	...Feb. 27	Final 18.8%
		*Witter (Thos.)	...Feb. 12	Final 11.6%
...Feb. 10	Final $HK0.45			
...Feb. 20	Final 34.7%			
...Feb. 27	Final 19%			

* Board meetings intimated. † Rights issue since made. ‡ Tax free. § Scrip issue since made from reserves.

[Loca]l Authority Investments

[LOCAL AU]THORITY loan rates [fell sha]rply last week, in line [with] money market rates, [on expectati]ons of a further re[duction in] Bank of England [Minimum Le]nding Rate. Deposits [with local au]thorities at two days' [notice fell] to 9-9⅛ per cent. from [... per cen]t., while deposits at [seven days'] notice fell to 9-9¼ per [cent. from] 10¼ per cent. The [fall of] over 1 per cent. in [the longer p]eriods also reflected [easier] credit conditions in [the market] on certain days last [week, in co]ntrast to very tight [conditions] of recent weeks, [cause]d by some very large [...]s. The one-month deposit rate was also cut, to 9-9¼ per cent. from 10¼ per cent., and the three-month rate fell to 9-9⅛ per cent. from 9¾-9⅞ per cent. The one-year mortgage eased to 10⅜-10⅝ per cent. from 10⅝ per cent.

The Financial Times Government Securities Index eased to 63.84 from a 1975-76 peak of 65.21 at the end of the previous week, with the possibility of a new "tap" stock creating some uncertainty during the week.

One-year local authority bonds were placed at par, with a coupon of 10⅜ per cent., to offer a yield ¼ per cent. lower than the previous week's batch.

* Rate (%) February 6, 1976	
[...]ce (deposit receipt)	9 — 9⅛
[...]ce (deposit receipt)	9 — 9¼
[...]ce after one month (deposit receipt)	9 — 9¼
[...]ce after three months (deposit receipt)	9 — 9⅛
[...]ce after six months (deposit receipt)	9¼ — 9⅜
[...] one month's mutual notice after 11 month	10⅜ — 10⅝
[...] one month's lender notice after 11 months	
[...] term 2-5 years	n.a.
[mo]rtgage	11 — 11⅛†
[mo]rtgage	11⅞ — 12⅛†
[mo]rtgage	12⅛ — 12⅜†
[mo]rtgage	12⅜ — 12⅝†
[...]mortgage	n.a.
[...]mortgage	n.a.

[* Rates a]re for sums not less than £20,000 and are subject to local [authority an]d fluctuations. † Nominal. ‡ Shorter periods may attract [higher rates] than longer. n.a. Not available.

[Publi]c Works Loan Board rates

Effective from January 31, 1976

Years	Quota loans Repaid By instalments	Quota loans Repaid At maturity	Non-quota loans* Repaid By instalments	Non-quota loans* Repaid At maturity
[illegible]	10⅜	10¾	11¼	13⅛
... to 10	10⅞	12⅛	12⅛	13⅜
... to 15	12⅛	13⅛	12⅞	13⅜
... to 25	12⅞	13⅛	13⅛	13⅞
[illegible]	13⅛	13⅛	13⅛	14

[* Non-q]uota loans B are 1 per cent. higher in each case than [non-quota lo]ans A.

[RECE]NT ISSUES

EQUITIES

1976/6 High	Low	Stock	Closing Price	+ or	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

1975/6 High	Low	Stock	Closing Price	+ or
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Latest Renunc. Date	1975/6 High	Low	Stock	Closing Price	+ or
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

INTERNATIONAL COMPANY NEWS

BHP profits down 48%

BY JAMES FORTH

SYDNEY, Feb. 8.

PROFITS of Broken Hill Proprietary Company plunged by 48 per cent. from $A59.8m. to $A31m. in the November half-year. The result left a margin of less than $A3m. to cover a steady interim dividend of 14.5 cents a share. The principal factor in the decline was a loss of $A26.7m. from steel operations (BHP is Australia's only steel producer) compared with a profit of $A2.2m. in the first half of 1974-75.

Results from the minerals division, mainly the group's mineral exports activities, dipped from $A16.1m. to $A12.2m. Profits from oil and gas operations increased from $A35.8m. to $A39.4m., while other operations contributed $A7.0m. compared with $A6.7m. previously.

BHP has its own method of accounting for inflation. This is reflected in a charge against profits of $A110.3m. for fixed asset utilisation, a rise of $A18m. In accounting for inflation, BHP increased replacement values of fixed assets by 21 per cent. per annum which is the company's estimate of the implicit gross fixed private investment deflator, and therefore based on an official measure of inflation. Adjusting the results to remove the effects of inflation would still result in a profit decline for the six months —by 12 per cent. from $A88.7m. to $A77.9m.

Problems with the steel division arose from a low level of domestic demand — Australian sales fell by 15 per cent. to 2.17m. tonnes. The company was forced to seek exports to keep plants operating at a high, although reduced, level of capacity. However, export steel prices collapsed during the period and are now only 50 per cent. of the levels ruling a year ago.

Steel exports contributed only $A1.5m. or 1.7 per cent. of gross steel earnings of $A86.7m. before tax, fixed asset utilisation and financing charges. In the first half of the previous year steel exports made up 47 per cent. of gross steel earnings.

BHP expects only a slow recovery in the steel market for the remainder of the year.

The improvement from the oil division came from increased sales. Benefits of price increases had been absorbed by government levies. In the minerals division, higher prices for iron ore and manganese were eroded by the effects of industrial action.

Lesieur economy drive

BY RUPERT CORNWELL

PARIS, Feb. 8.

LESIEUR, the troubled French oils and fats group, this weekend announced an economy programme designed to save it Frs.60m. to Frs.70m. in a full year, including a cut in stocks and internal rationalisation measures.

At the same time, Chairman M. Michel Lesieur, whose family controls 51 per cent. of the group's capital, reported that operating losses of the key subsidiary, Lesieur Cotelle et Associes, reached Frs.50m. in 1975, making a total deficit of Frs.130m (£14m.) over the last two years.

The news follows a standstill in sales, at group level, at around Frs.3.3bn. (£360m.) and for LCA at around Frs.2.4bn. (£260m.). Sales of edible oils dropped 9 per cent as a result of lower consumer demand and a run-down of stocks by wholesalers.

Most alarmingly, however, M. Lesieur could see no end in sight to the management dispute which has bedevilled his company for more than three years, and provoked deep uncertainty over its future.

Talks with the Cie de Navigation Mixte, which holds 43 per cent. of Lesieur and with the group's supposed rescuers, the Credit Agricole and the EDI Development Agency, have broken down.

But he suggested that if the economy programme proved successful by the end of this year, the group might have a chance to reach a solution to it's problems in agreement with another French food concern. However, he mentioned no names.

Oce fourth quarter revival

By Michael Van Os

AMSTERDAM, Feb. 8.

OCÉ-VAN DER GRINTEN, the Dutch manufacturer of reprographic materials and apparatus which generates more than three-quarters of its sales abroad, said that according to provisional figures it had been able to raise net profits by 5 per cent. to Fls.25.7m. in 1975.

The company added from Venlo that it was proposed to pay an unchanged dividend of Fls.5.60 cash per share of Fls.20, of which half had already been paid as interim in November. Océ said that the profit per share has fallen from Fls.19.71 (corrected for a rights issue) to Fls.17.89 in 1975, citing the effects of the rights issue of 1.6 at Fls.147.50 in June, 1975, and the conversion of debentures.

The company's sales rose by 8 per cent. to Fls.662.2m.

VMF U.S. expansion

By Michael Van Os

AMSTERDAM, Feb. 8.

VMF-STORK, the Dutch Amalgamated engineering company, has made another acquisition in the U.S., taking over Gainesville Machine Company (Gamco) in an undisclosed cash deal, it was announced here. The U.S. company is a specialised manufacturer of poultry slaughter systems in which it is reported a market leader with a share of 50-60 per cent. in the U.S.

VMF-Stork said in Amsterdam that Gamco will become part of its U.S. holding company Stork United, Wilmington, Delaware, and in an organisational sense a subsidiary of Stork-PMT in Boxmeer, Holland.

World Economic Indicators

TRADE STATISTICS

		Dec. '75	Nov. '75	Oct. '75	Dec. '74
U.K. £bn.	Exports	1.767	1.637	1.739	1.386
	Imports	1.966	1.924	1.961	1.745
	Balance	−0.199	−0.287	−0.222	−0.286
U.S.A. $m.	Exports	9,324.9	9,409.3	9,288.1	8,862.1
	Imports	8,746.3	8,299.1	8,212.2	9,256.8
	Balance	+578.6	+1,110.2	+1,075.9	−394.7
Japan $m.	Exports	5,790	4,310	4,757	5,884
	Imports	4,680	3,876	4,410	4,666
	Balance	+1,110	+434	+347	+1,218
Germany DMbn.	Exports	20.6	19.1	20.5	20.2
	Imports	17.4	15.9	17.6	14.9
	Balance	+3.2	+3.1	+2.8	+5.3
France Frs.m.	Exports	20.8	18.5	20.1	20.7
	Imports	21.7	18.4	20.2	20.6
	Balance	−0.9	+0.1	−0.1	+0.1
		Nov. '75	Oct. '75	Sept. '75	Nov. '74
Italy Lirebn.	Exports	2,000	2,080	1,970	1,690
	Imports	2,204	2,287	2,380	2,061
	Balance	−204	−207	−410	−371
*Holland Fls.m.	Exports	6,949	7,489	6,389	6,364
	Imports	6,948	7,046	6,766	6,368
	Balance	+1	+443	−377	−4
		Oct. '75	Sept. '75	Aug. '75	Oct. '74
*Belgium B.Frs.m.	Exports	98.871	86.400	63.243	105.324
	Imports	105.660	99.000	77.310	106.337
	Balance	−6.789	−12.600	−14.067	−1.013

*Excludes trade between Holland, Belgium and Luxembourg.

Money & Exchanges

Bank of England Minimum Lending Rate 9¼ per cent. (since February 6, 1976)

Interest rates fell sharply again in the London money market last week, with the three-month sterling certificate yield easing to 9⅛-9 per cent., from 9⅞-9¾ per cent. at the end of the previous week. Discount houses buying rates for three-month Treasury bills were at levels which indicated a cut of at least ½ per cent. in Bank of England Minimum Lending Rate, and on Thursday rates were under 9 per cent. in places, giving rise to speculation of a possible further ¼ per cent. reduction in MLR. At the weekly Treasury bill tender on Friday the average rate of discount fell by 0.5296 per cent. to 8.7691 per cent., and MLR was cut by ½ per cent. to 9¼ per cent.

Day-to-day credit was in very short supply last Monday and the authorities gave assistance by buying an exceptional amount of Treasury bills and corporation bills. Moderate help was given on Tuesday by way of purchases of Treasury bills, and the authorities bought a large number of Treasury bills and corporation bills on Wednesday to relieve a shortage. Credit was in good supply on Thursday and Friday and there was no official intervention in the market.

Sterling's trade-weighted average depreciation, as calculated by the Bank of England, fell by 0.3 per cent. on Monday to 30.2 per cent., equal to its worst ever closing level. This followed a $200m. switch out of sterling by Middle East oil producer Dubai. For most of the remaining part of the week the pound improved to 30.1 per cent., but eased to 30.2 per cent. at noon on Friday, in anticipation of a cut of ½ per cent. in the MLR and remained at that level at the close.

The pound touched $2.0230-2.0240 against the dollar during trading on Monday, but the general level of business over most of the week was around $2.03. Sterling closed on Friday at $2.0265-2.0275, a fall of 30 points on the week.

The discount on forward sterling narrowed during the week, reflecting the reduced differential between domestic and U.S. interest rates. The three-month pound finished at 1.90 cent premium against the dollar, compared with 2.55 cent premium on the previous Friday.

The U.S. dollar was generally weaker against other major currencies, with its trade-weighted depreciation, as calculated by Morgan Guaranty, widening to 2.66 per cent. from 2.17 per cent. at the end of the previous week. The dollar received large support from the Japanese authorities, and it was estimated that the Bank of Japan bought around $500m. between Tuesday and Thursday.

The Japanese yen was very strong and its trade-weighted change, on the Morgan Guaranty basis, moved to an appreciation of 0.34 per cent. from a depreciation of 0.47 per cent. between Tuesday and Wednesday.

The Italian lira was steadier, following measures to reduce liquidity within the Italian banking system. Its depreciation, as calculated by Morgan Guaranty, finished at 40.11 per cent., compared with 41.61 per cent. on the previous Friday, and after touching 43.06 per cent. on Tuesday.

German marks were very firm, improving against the dollar and touching the highest point since last May in terms of the French franc during trading in Paris on Friday.

Gold improved on Friday by $2 to finish at $130¾-131¼ compared with $128-129 on the previous Friday.

EXCHANGE CROSS-RATES

Feb. 6	Frankfurt	New York	Paris	Brussels	London	A'sterdam	Zurich
Frankfu't	—	2.5725-35	57.55-60	6.55-56	5.215-220	96.55-60	99.35-40
N. York	38.83-85	—	22.32-34	2.546-547	2.0260-028	37.46-48	38.56-58
Paris	173.55-95	4.4657-4757	—	11.389-414	9.057-0615	167.85-05	172.40-90
Brussels	15.23-27	39.23-26	8.76-79	—	79.49-64	14.71-72	15.13-16
London	5.21¾-22¾	2.0265-75	9.07¼-08¼	79.55-75	—	5.40¼-41¼	6.25¼-26¼
Am'dam	103.55-60	2.6637-62	58.595-645	6.7945-95	5.4015-55	—	102.85-91
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	—

U.S. $ in Montreal. U.S. $=99.82-84 Canadian cents. Canadian $ in New York $C=100.16-18 U.S. cents. U.S. $ in Milan closed. Sterling in Milan closed.

EURO-CURRENCY INTEREST RATES*

Feb. 6 1976	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

Feb. 6 1976	Sterling Certificates of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House deposits	Company deposits	Discount market deposits	Treasury bills ‡	Bank bills ‡	Fine trade bills ‡
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

[illegible]

MINING NOTEBOOK

Problems and posers for Australian uranium

BY LODESTAR

THE PULSATING Australian uranium scene still dominates the mining share market. The problems posed for the participants therein are legion. Let us have a look at some of them.

The first thing that has to be borne in mind is that the Peko-EZ Industries partnership's Ranger deposit, although now by no means the largest, following the latest Pancontinental finds, must still be the number one favourite for the first government go-ahead.

This is partly because of its all-Australian content. And, secondly, because it already had some kind of a deal with the former Labor administration. There is a degree of irony in this. A few years ago Peko-EZ was fighting off government participation in the Ranger find. Now it would presumably be very happy if the authorities did indeed put up a substantial part of the capital cost in these days of cash flow stringency from the companies' base-metal operations, a factor which particularly applies to Peko-Wallsend.

Otherwise the partnership could find itself under a contractural handicap compared with its Northern Territory competitors in having to make its sales deals with customers dependent on reciprocal financing arrangements whereas Pancontinental with its Getty Oil backing would presumably not have to do so. Neither, it can be assumed, would Noranda for its Jim Jim deposit.

Money raising

In the meantime, with its north American flair, Pancontinental is unlikely to repeat the historical mistake made by Poseidon which inexplicably did not take advantage of the kind of soaring share price rise that had never been seen before; and is unlikely to be seen again, to raise fresh capital. If Pancontinental with its relatively small number of issued shares does not come to market or possibly even make a move to take over another company with a strong cash flow it will be surprising indeed.

So far as the kind of quick movement towards granting uranium export permissions by the Australian Government is concerned, much must depend on what the National Resources Minister Doug Anthony comes back with after his current visit to Japan. There is also the problem of Justice Fox's environmental inquiry. He is a prickly character I gather and not a man who is prepared to be swayed by the Government's obvious anxiety to get his verdict as quickly as possible. June is still the earliest date. While Canberra can presumably ignore the recomendations when they come along, it can hardly brush them aside in advance. So the Fox report remains a number one delaying factor in any uranium go-ahead decisions.

Pancontinental

So where does all this leave Pancontinental now? The soundest advice that I have heard this week from a broker well versed in Australian affairs is that holders who went in on a speculative basis originally could well cash part of their profits in what is now becoming a long-term investment and take a new "punt" with the money, as the Australians would say.

His suggestion was Ocean Resources which is probing ground adjacent to Pancontinental's and likewise has a big overseas pratner in Superior Oil. His reasoning was that speculative interest in these shares could begin to pick up in front of the resumption of the company's exploration activity in March after the "big wet." Friday's price was 38p.

Reports from Australia that the Gold Fields offshoot there, Consolidated Gold Fields Australia, has sold half its 14 per cent. stake in Pancontinental are, I gather, untrue. What seems to have been happening is that CGFA has been trading in the shares on their way up. This would be in the true tradition of the Gold Fields group which has always been noted for its skill in making share dealing profits as the earnings figures over the past few years have conclusively proved.

Before leaving the down-under uranium scene, it is worth noting once again that the all-Australian favourite of the country's powers that be, Western Mining, also has a sizeable uranium prospect at Yeelirrie which could well be looked upon benevolently by the Government in the queue for production permissions.

On the nickel front, Western Mining shares at 150p could begin to tag along in the wake of an intriguing world-wide market movement that has been born recently and which has been taking up the prices of the leaders in this field, Canada's International Nickel and Falconbridge and France's Imetal.

Leopold lingers

The queries continue to roll in for the Australian "whatever happened to" series. One target is the ill-famed Leopold Minerals the shares of which soared in 1971 and then crashed in a cloud of scandal. It is presumably for this reason that the company has now changed its name to Kitchener Mining. In this new guise it has been endeavouring to raise fresh funds by a sale of forfeited shares at 8 cents to existing holders.

The money is needed for development of the old Kitchener gold mine at that Western Australian hotspot Bamboo Creek, a property that has been worked on and off since the end of last century. During that period a lot of money seems to have gone down the shaft without a great deal coming out. Even the State Government had a go at one time. And old-timers will possibly remember the Bamboo Creek Gold Mines company. In 1960 Woodsreef Mines drilled a number of holes but then pulled out.

Now Kitchener is doing some underground drilling. For a verdict on whether or not the venture will be successful I can do no better than quote the opinion of that on the spot weekly journal the National Miner. After saying that the company hopes to get through without any outside finance the verdict is that, "like all good schemes this one sounds excellent on paper. But shareholders will doubtless reserve their celebrations for when the dividend cheques start rolling in." This seems to indicate a certain amount of cynicism about the project. The only price I have been able to find in London is "on the basis of" 6p to 9p.

* * *

Things seem to be hotting up on the Irish front. The latest report from Canada is that Noranda's Kerr Addison has taken over the 75 per cent. stake in the Silvermines lead-zinc operation in Tipperary from International Mogul. Noranda is one of the major shareholders in the big Tara zinc project. Comment from Toronto over the week-end was that this deal could sharpen up the talk, previously reported here, that there might be a bid for Northgate Exploration which runs the Tynagh lead-zinc mine in Galway and has a stake in Tara which is of importance in the running battle for control of that company.

Ireland's Silvermines has the other 25 per cent. of the Tipperary operation. Dublin brokers Harvey and Leahy have issued a 14-page analysis of this company's prospects and recommend purchase of the shares which were 55p on Friday.

INSURANCE

Three fire convention conferences

BY OUR INSURANCE CORRESPONDENT

THE FIRE Protection Association is currently concerned with making preparation for three conferences to be held before Easter, conferences which to some degree will cover partly similar ground. Two are to be held in London and one in Nottingham.

The first of these, the National Fire Protection Conference, is to be held at the Excelsior Hotel at Heathrow on February 26 and 27; the attendance fee of £25 will include publications and lunch on both days but will not pay for any overnight accommodation. The second is the Fire Technology Forum to be held at the City University, in Northampton Square, E.C.1, on March 10: for this one-day meeting the fee is £6.50 inclusive of lunch. Applications to attend either meeting should be sent to the secretary of the FPA at Aldermary House, Queen Street, E.C.4.

The third conference, Design for Fire Safety, sponsored jointly by the FPA and the Building Centre Trust, will commence late in the afternoon of April 7 and finish after lunch on April 9. The fee of £45.36 payable to the BCT includes accommodation and all meals: applications have to go to Alan Maynard of the BCT at 26, Store Street, W.C.1.

No one concerned with fire prevention can ignore the changing pattern produced by new legislation: the Health and Safety at Work Act, 1974, is as important in the field of fire prevention as it is in safety and at each conference the impact of the Act will be discussed. Lord Robens (whose Committee's report formed the basis of the Act) will be a guest speaker at Heathrow, while the Home Secretary, Mr. Roy Jenkins, will open the proceedings there.

The Heathrow conference is aimed at management in industry concerned with fire prevention; those who are concerned in the business of fire prevention; and those who are involved in the design of buildings and plant. The Technology Forum is for engineers, designers and architects who encounter fire problems in the course of their work.

The Nottingham gathering will involve such experts as these, plus building material manufacturers.

So, very much the emphasis is on processes and materials and on types of building. At the Technology Forum, for example, there will be one session on the way in which properly planned roof construction can afford protection against expensive damage and another session (with Flixborough in mind) to consider the escape of dangerous substances and to explore still relatively unknown aspects, such as the rate of escape from fractured pipes and vessels and the speed with which danger builds up.

At Nottingham speakers will consider how to choose equipment and materials having regard to not only innate characteristics but also location and the general environment of premises and how to plan such premises to reduce if not to eliminate the risk of spread of fire. Concurrent with this conference will be a technical exhibition located close to the lecture halls.

At Nottingham an insurance fire surveyor is to discuss questions — how does insurance practice affect the architect? and how can planning design, choice of materials and equipment reduce the premium? Otherwise perhaps, the insurance impact of these three conferences is less than direct but none-the-less very relevant. For the FPA is financed by the companies and by Lloyds and is an advisory organisation whose task it is to provide technical and general advice on all aspects of fire prevention, whereby to reduce both the cost of fire to insurers and the cost of fire premiums to the insuring public.

GOLD MARKET

	Feb. 6, 1976	Feb. 5, 1976
Gold Bullion (a fine ounce) Close	$130¾-131¼	$128¾-129¼
Opening	$129-130	$127¾-128¾
Morning fixing	[illegible]	[illegible]
Afternoon fixing	[illegible]	[illegible]
Gold Coins, domestically Krugerrand	[illegible]	[illegible]
New Sov'r'gns	[illegible]	[illegible]
Old Sov'r'gns	[illegible]	[illegible]
Gold Coins, (internat'ly) Krugerrand	[illegible]	[illegible]
New Sov'r'gns	[illegible]	[illegible]
Old Sov'r'gns	[illegible]	[illegible]
$20 Eagles	[illegible]	[illegible]
$10 Eagles	[illegible]	[illegible]
$5 Eagles	[illegible]	[illegible]

FOREIGN EXCHANGES

Feb. 6 1976	Bank Rate %	Market Rates Day's Spread	Close
New York	[illegible]	[illegible]	[illegible]
Montreal	[illegible]	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]
Copenh'gen	[illegible]	[illegible]	[illegible]
Frankfurt	[illegible]	[illegible]	[illegible]
Lisbon	[illegible]	[illegible]	[illegible]
Madrid	[illegible]	[illegible]	[illegible]
Milan	[illegible]	[illegible]	[illegible]
Oslo	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	[illegible]
Stockholm	[illegible]	[illegible]	[illegible]
Tokyo	[illegible]	[illegible]	[illegible]
Vienna	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]

† Basic discount. ‡ Given rates are for convertible francs. Financial franc [illegible].

FORWARD RATES

—	One month	Three month
New York	0.70-0.60 c. pm	1.95-1.85 c.pm
Montreal	0.5 c.pm-.85 c.dis	0.20-0.10 c.pm
Amst'dam	2⅞-1⅞ c. pm	8⅛-7⅛ c.pm
Brussels	10 c.pm-10 c.dis	40-20 c.pm
Cop'nbg'n	4-2 ore pm	7-5 ore pm
Frankfurt	2¾-1¾ pf. pm	8-7 pf pm
Lisbon	par-100 c.dis	par-175 c.dis
Madrid	[illegible]	[illegible]
Milan	[illegible]	[illegible]
Oslo	[illegible]	[illegible]
Paris	[illegible]	[illegible]
Stockh'lm	[illegible]	[illegible]
Vienna	[illegible]	[illegible]
Zurich	[illegible]	[illegible]

Six-month forward dollar [illegible]

SPECIAL DRAWING RIGHT RATES

One SDR is equal to	Feb. 6	Feb. 5
Sterling	[illegible]	[illegible]
U.S. dollar	[illegible]	[illegible]
Canadian dollar	[illegible]	[illegible]
Belgian franc	[illegible]	[illegible]
Deutsche mark	[illegible]	[illegible]
Italian lira	[illegible]	[illegible]
Japanese yen	353.313	353.397
Dutch guilder	[illegible]	[illegible]
Swedish krona	[illegible]	[illegible]

Values are for currencies against the SDR as calculated by the International Monetary Fund in Washington.

OTHER MARKETS

		Notes Rates	
[illegible]	[illegible]	[illegible]	[illegible]

† Based on rates quoted by specialist dealers. [illegible]

WEEKLY AVERAGES OF U.K. INDICES

Week to—	Feb. 6	Jan. 30	Jan. 23	Jan. 16
Financial Times				
Govt. Secs.	[illegible]	[illegible]	[illegible]	63.14
Fixed Interest	[illegible]	[illegible]	[illegible]	62.39
Industrial Ord.	[illegible]	[illegible]	[illegible]	400.4
Gold Mines	[illegible]	[illegible]	[illegible]	216.6
Dealings mkd.	[illegible]	[illegible]	[illegible]	9,223
F.T. Actuaries				
Ind. Group	[illegible]	[illegible]	[illegible]	159.67
500-Share	[illegible]	[illegible]	[illegible]	174.99
All-Share	[illegible]	[illegible]	[illegible]	169.21
20-year Govt.	[illegible]	[illegible]	[illegible]	51.00
Red. Debs.	[illegible]	[illegible]	[illegible]	50.06

London tea sales

At the tea sales held in London last week 50,011 packages sold realised an average price of 65.01p per kilo compared with 64.91p at the previous sale and against 64.27p a year ago. Plain tea was quoted at 49p.

	No. of kilos	Average per kilo
African Highland Prod.	73,018	67½p
Amgoorie	11,198	68½p
Anglo Ceylon and Gen.	2,865	68p
Assam Co.	48,008	69p
Assam Cons.	25,571	68p
Assam Dooars	35,701	61p
Assam Frontier	188,835	67p
Attaree Khat	27,811	67p
Borelli	24,238	66p
Chulsa	10,462	61½p
Dekhari	30,002	67½p
Damodera	6,517	55p
Doom Dooma	23,970	67p
Eastern Assam	25,824	67p
Imperial	29,784	65½p
Jokai	34,178	67½p
Jorehaut	16,238	67½p
Kenya	184,729	67½p
Land Reform	106,720	67½p
Mayfield	7,360	58p
Moran	43,914	67½p
Nayabedde	32,842	65½p
Ouvah	57,129	66p
Pabbojan	54,967	66½p
Spring Valley	2,271	68p
Standard	2,038	67½p
Telbedde	2,019	69p
Tingri	13,063	67p
Tukvar	22,852	66p
Upper Assam	32,666	67p

Stocks at January 30 amounted to 68,119 metric tons compared with 67,656 metric tons a year ago. Converted at 48.998 kilos per package.

Industry curb on councillors attacked

SOME NATIONALISED industries are tightening up on the time off they allow local councillors to carry out their public duties, Mr. Roy Hughes, Labour MP for Newport, has complained.

He is to ask Mr. Michael Foot, Employment Secretary, whether he is satisfied with the practice of nationalised industries in giving time off for this purpose.

Mr. Hughes said that as, under the terms of the Employment Protection Act, councillors could have time off as a right, the new restrictive attitude by some nationalised industries seemed rather odd.

INSURANCE BASE RATES

† Atlantic Assurance	10½%
Cannon Assurance	9%

† Address shown under Insurance and Property Bond table.

INTERNATIONAL COMPANY NEWS + EURO MARKETS

EUROBONDS

New issue pause helps prices

BY MARY CAMPBELL

THE DOLLAR sectors of the Eurobond market had a welcome respite last week and prices of many outstanding bonds benefited. Bigger gains were seen however in the non-dollar sectors. Demand for Deutsche mark and Swiss franc bonds has been heavy in recent days, banking sources suggest, and coupons continue on the way down.

There are currently two issues on offer in the D-mark sector, apart from the rather special case of the World Bank's DM250m. They both offer identical terms—DM50m. for five years at 8½ per cent. The borrowers are Hitachi and the City of Malmo. A discount had originally been indicated for Hitachi but is now unlikely. Malmo has been indicated at par from the start.

Coupons have been cut again in the Swiss franc sector with the European Investment Bank offering 7 per cent. on its Sw.Frs.100m. issue. The previous issue, Sw.Frs.80m. for ICI, had offered 7¾ per cent., while 7½ had been the lowest for issue prior to that.

Iceland is raising 12m. units of account via Crédit Commercial de France. Indicated coupon is 9½ per cent. and maturity seven years.

In the dollar sectors increases in size continue to be possible for good quality issues. Société Financière Européenne's $25m. financing has been raised to $30m. with the coupon remaining unaltered at 9 per cent. on a par pricing. Terms of Mitsui Mining and Smelting's $25m. issue have now been confirmed. Maturity will be five years and coupon 9¼ per cent.

Among SEC-registered issues, Kubota's $50m. convertible has been raised to $75m. The coupon is 6¾ per cent. and the issue price par. The conversion price is Yen 359 per share compared with a closing price of Yen 335 last Wednesday. The conversion price for the depository receipts is $23.70. The yen dollar exchange rate has been set at 303.

Mosbert liquidation moves

By Philip Bowring

HONG KONG, Feb. 8.

A NON-EXECUTIVE director of Mosbert Holdings, Mr. Peter P. F. Chan, said at the week-end that Mosbert Holdings would not oppose the winding up petition made by FAI Insurance, an Australian company which alleges that Mosbert has failed to meet a financial commitment to it.

Meanwhile, it has been confirmed here that a provisional liquidator has been appointed for Mosbert, pending the hearing of the FAI petition early next month. Mr. Chan also said that three wholly owned Hong Kong subsidiaries of Mosbert Holdings would go into voluntary liquidation. The three are engaged in property development and investment.

Mr. Chan, who is also Chairman of the Kowloon Stock Exchange, the smallest of the four in Hong Kong and the only one on which Mosbert Holdings is listed, was unable to give further details. Executive directors of the company, including Roy Lim, who became Chairman on Amos Dawe's resignation last month, are in Singapore and Malaysia.

Anglo-Alpha tops cement results

By Richard Rolfe

ANGLO-ALPHA, the South Africa cement group controlled by the Swiss Holderbank interests, has reported the best performance to date of the local cement companies, with operating income rising from R11.6m. to R14.6m. for the six months to end-December on turnover up from R54m. to R62m., putting operating margins up two points at 23½ per cent. But provision for replacement of fixed assets has been raised from R5.7m. to R7.3m. and after interest and investment income the pre-tax improvement is from R4.4m. to R5.4m. Earnings are up from 6.9c to 7.7c and the dividend is 0.5c higher at 3.75c.

Current trading has been hit by higher production costs and the economic turndown led to lower volume, while the higher replacement reserve reflects both the substantial spending programme and general escalation in costs. Ongoing capital expenditure is put at R57m., the bulk of it for the group's new lime plant kiln expansion.

Bethlehem earnings in decline

BETHLEHE[M]

BETHLEHEM STE[EL Corpora]tion said it expects 1976 earnings wil[l be signifi]cantly below the $1[...] of a year ago.

It made this sta[tement in] registering a prop[osed offering] of $200m. of deben[tures].

The company sa[id pro]ceeds of the offeri[ng would be used] to meet its sp[ending pro]grammes. It est[imated] spending would be [...] additions and impro[vements to] property in the thre[e years to] 1978, including som[e ...] 1976.

Reuter

Indices

NEW YORK

DOW JONES AVERAGES

Close	Home Bonds	Transport	Indus.	Util.	Trading volume† 000's
Feb.					
6 ...	71.18	198.36	954.90	89.22	27,360
5 ...	71.23	199.82	964.21	91.13	33,780
4 ...	71.16	201.94	976.62	91.90	38,270
3 ...	71.16	199.43	972.61	91.29	34,080
2 ...	71.21	199.05	971.35	91.00	24,000
Jan.					
30 ...	71.26	199.36	975.28	90.87	38,510
29 ...	71.20	198.05	968.75	91.07	29,800
28 ...	71.13	195.84	961.35	90.56	27,370
27 ...	70.92	197.26	957.81	90.76	32,070
26 ...	70.94	197.26	961.51	90.65	34,470
23 ...	70.90	197.38	953.95	90.62	45,640
22 ...	70.85	195.57	943.48	89.95	27,420
21 ...	70.83	196.77	946.24	90.24	34,470
20 ...	70.75	197.42	949.86	90.39	36,690
19 ...	70.67	196.08	945.72	90.30	29,460
16 ...	70.58	191.52	929.63	89.95	26,940
15 ...	70.54	190.36	924.51	89.34	38,460
14 ...	70.85	190.69	929.63	89.24	30,340
1975-76 High	71.23 (6/2/76)	201.94 (4/2/76)	976.62 (4/2/76)	91.90 (4/3/76)	—
Low	66.16 (5/1)	148.47 (2/1)	632.04 (2/1)	72.02 (2/1)	--
All-time High	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	38,510 (30/1/76)
Low	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds.

IND. DIVIDEND YIELD p.c.

Jan. 30	Jan. 23	Jan. 31 1975
3.83	3.92	5.38

N.Y. SE ALL COMMON INDEX

December 31, 1965=50.

1975-76 High	1975-76 Low	Feb. 6	Feb. 5	Feb. 4	Feb. 3	Feb. 2
54.24 (4/2/76)	37.06 (2/1/75)	52.97	53.44	54.24	53.80	53.58

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,1910	500	1,031	379

	Feb. 6	Feb. 4	Feb. 3	Feb. 2	Jan 30
New Highs	220	567	500	212	549
.. Lows	2	nil	one	Nil	Nil

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1975-76 High	1975-76 Low	Feb. 6	Feb. 5	Feb. 4	Feb. 3	Feb. 2
	98.52 (4/2)	62.20 (2/1/75)	97.16	97.84	98.52	97.64	98.67
Volume (000's)			3,080	4,900	5,560	5,860	5,160

STANDARD AND POORS U.S. STOCK INDICES

	*Industrials	†Composite
Feb. 6	111.53	99.46
„ 5	112.35	100.39
„ 4	114.31	101.91
„ 3	113.47	101.15
„ 2	113.12	100.97
Jan. 30	113.10	100.86
„ 29	112.23	100.11
1975-76 High	114.31 (4/2/76)	101.91 (4/2/76)
1975-76 Low	77.71 (8/1/75)	70.74 (8/1/75)

* 425 Industrials. † 425 Industrials. 50

STOCK AND BOND YIELDS

	Jan. 28 1976	Jan. 31 1976	Feb. 5 1975
Ind. Ord. p/e ratio ...	13.57	13.53	8.64
Ind. Ord. yield pc ...	3.42	3.42	4.34
Long-term Govt. Bds. per cent.	5.83	5.81	6.21

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Coastal States Gas	615,700	11¾	−2¼
Gulf Oil	437,400	24⅜	−¼
Winnebago	260,900	5⅛	−⅛
Penn Central	235,200	2½	+⅜
Amer. Tel. and Tel.	227,000	54⅛	+⅛
Citicorp	216,200	33¼	+½
Merrill Lynch	215,800	23⅛	+⅛
Polaroid	137,300	38⅛	−1
Avon Products	182,200	40⅛	−1¼
Westinghouse Elec.	175,400	15⅛	−⅝

TORONTO

INDUSTRIAL INDEX

Feb. 6	Feb. 5	1975-76 High	1975-76 Low
187.79	186.78	196.50 (15/7)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Feb. 6	Feb. 5	1975-76 High	1975-76 Low
195.63	196.13	205.61 (15/7)	159.08 (2/1)

COMBINED INDEX

Feb. 6	Feb. 5	1975-76 High	1975-76 Low
189.64	190.06	198.00 (12/7)	158.65 (2/1)

JOHANNESBURG

	Feb. 6	Feb. 5	1975-76 High	1975-76 Low
Industrials	215.6	215.7	238.9 (16/7)	183.2 (23/1)
Golds	211.7	209.1	379.1 (2/1)	199.2 (9/12)

(1959=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Feb. 5	Jan. 29	Jan. 22
On Dividends	5.56	5.43	5.44
On Earnings	9.26	8.97	8.99

SYDNEY ALL ORD. INDEX

Feb. 6	Feb. 5	High 1975-6	Low 1975-6
449.90	453.09	472.06 (23/1/76)	288.88 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968.

Feb. 7	Feb. 6	High 1975-6	Low 1975-76
336.32	338.71	342.84 (1/2/76)	268.24 (10/1)

HONG KONG INDEX Φ

Feb. 6	Feb. 5	High 1975-6	Low 1975-6
412.07	431.02	434.48 (4/2/76)	160.42 (9/1)

SINGAPORE INDEX §

Feb. 6	Feb. 5	High 1975-6	Low 1975-6
277.58	282.01	286.16 (3/2/76)	153.26 (8/1)

EUROPE

	Feb. 6	Previous	1975-6 High	1975-6 Low
Belg'm (a)	113.02	113.18	113.61 (5/2/76)	89.07 (2/1)
Denm'k (b)	102.29	102.94	107.79 (27/1/76)	73.06 (13/1)
France (d)	70.2	70.2	72.6 (25/4)	51.70 (2/1)
Germ'y (e)	795.7	796.2	797.0 (6/1/76)	675.6 (2/1)
Holland (f)	104.1	105.5	107.6 (6/6)	83.2 (2/10)
Italy (g)	85.86	86.04	108.86 (21/2)	75.41 (17/10)
Spain (h)	94.59	94.96	110.96 (22/4)	91.85 (19/8)
Sweden (k)	416.58	416.95	417.74 (4/2/76)	310.56 (9/1)
Switz'rl'd (m)	298.5	297.0	297.7 (15/1/76)	206.5 (2/1)

Indices and base dates (all base values 100):— (a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (u) Unavailable. Φ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. † Adjusted.

AUSTRALIAN WEEKLY LIST

TEL AVIV STOCK EXCHANGE

Source: Bank Leumi Le Israel, Tel Aviv.

HONG KONG

SINGAPORE STOCKS

I.G. INDEX

GOLD 128¾-131¾

CORAL INDEX

Close 408-413

JOHANNESBURG

AUSTRALIA

CANADIAN WEEKLY LIST

OVERSEAS SHARE INFORMATION

NEW YORK

CANADA

GERMANY ♦

MILAN

AMSTERDAM

SWITZERLAND ♦

PARIS

COPENHAGEN

VIENNA

STOCKHOLM

SPAIN ▼

BRUSSELS/LUXEMBOURG

TOKYO ¶

OSLO ♦

- Investment premium based on $2.60 per £1—113½% (114¼%)

Source Nikko Securities Tokyo.

هكذا اصل الأصل

AUTHORISED UNIT TRUSTS

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

REGIONAL MARKETS

N'thn. Goldsmith	89xd		Clondalkin	44	-2
P.M.A.	54	+3	Concrete Prods.	85	
Pearce (C. H.)	80		Goodbody (£1)	34	
Peel Mills	12½		Holton (Hldgs.)	37	
Richards 10p	16½	+½	Irish Distillers	66½	
RobbCaledonSh.	42	-1	Irish Wire	48	
Sayers 12½p	17		Jacob	70	
Sheffield Brick	70		Sunbeam	13	
Sheff. Refrshmt.	140		Unidare	70	

[FIN]ANCIAL TIMES STOCK INDICES

	Feb. 6	Feb. 5	Feb. 4	Feb. 3	Feb. 2	Jan. 30	A year ago
[Govt.] Secs.	63.34	64.16	64.45	64.49	65.16	65.21	56.88
[Fixed Intere]st	64.05	64.10	64.09	64.11	64.43	64.12	56.25
[Industrial O]rdinary	407.7	410.0	414.4	409.5	412.3	417.4	256.8
[Gold Mines]	223.7	219.7	223.1	232.1	224.1	215.3	332.2
[Ord. Div. Yi]eld %	5.11	5.08	5.04	5.09	5.07	5.07	7.73
[Earnings Yl]d % (full) (a)	14.84	14.76	14.62	14.78	14.71	14.57	21.89
[P/E Ratio (n]et) (a) (b)	9.93	9.98	10.08	9.97	10.01	10.11	6.35
[Dealings ma]rked	7,131	7,410	7,617	8,216	8,901	8,455	8,367
[Equity turn]over, £m	—	79.59	68.89	60.45	79.49	116.80	103.76
[Equity barga]ins total	—	18,749	16,649	18,298	21,214	22,695	25,077

10 a.m. 406.1. 11 a.m. 405.3. Noon 406.6. 1 p.m. 406.9. 2 p.m. 407.5. 3 p.m. 407.7.

Latest index 01-246 8026.

(a) Based on 52 per cent. corporation tax. (b) Nil=9.55.

[Basis 1]00 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold [Mines 12/9/]55. SE Activity July-Dec. 1942.

[H]IGHS AND LOWS

	1975/6 High	1975/6 Low	Since Compilation High	Since Compilation Low
	65.21 (20/1/76)	49.18 (3/1/75)	127.4 (9/1/35)	49.18 (3/1/75)
	64.43 (2/2/76)	50.53 (3/1/75)	150.4 (28/11/47)	50.53 (3/1/75)
	417.4 (30/1/76)	146.0 (6/1/75)	543.6 (19/5/72)	49.4 (26/6/40)
	442.3 (22/5/75)	197.1 (20/1/76)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Feb. 6	Feb. 5
Daily—		
Gilt-Edged	154.6	178.5
Industrials	243.6	256.1
Speculative	61.7	67.2
Totals	162.3	168.7
5-day Av'r'ge		
Gilt-Edged	196.2	200.3
Industrials	269.7	280.7
Speculative	70.4	70.0
Totals	178.8	184.8

FT—ACTUARIES INDICES

—	Feb. 6	Feb. 5	Feb. 4	Feb. 3	Feb. 2	Jan. 30	A year ago
[...] Group	162.64	163.86	163.90	163.03	163.84	164.06	101.96
	177.20	178.35	178.57	177.55	178.49	178.83	109.65
[...] pc	5.27	5.24	5.25	5.26	5.23	5.22	7.59
[...] net	10.12	10.18	10.28	10.22	10.27	10.29	6.40
	170.10	171.26	171.79	171.14	172.02	172.64	108.22
[...] yield pc	13.41	13.31	13.22	13.22	13.04	13.02	15.14

BASE LENDING RATES

Irish Banks Ltd.	9½%	Julian S. Hodge	11 %
Portuguese Bank	10 %	Industrial Bank of Scot.	10 %
Ansbacher	10½%	Keyser Ullmann	10½%
de Bilbao	9½%	Knowsley & Co. Ltd.	11½%
de Jerez	11½%	Lloyds Bank	9½%
of Cyprus	10½%	London & European	11½%
of N.S.W.	10 %	London Mercantile	10½%
du Rhone S.A.	10 %	Midland Bank	9½%
[...]ys Bank	9½%	■ Samuel Montagu	9½%
[...]t, Christie Ltd.	11 %	■ Morgan Grenfell	9½%
[...]r Holdings Ltd.	11 %	National Westminster	9½%
[...]ank of Mid. East	10 %	Northern Comm. Trust	10½%
Shipley	10 %	Norwich General Trust	10½%
[...] Permanent AFI	9½%	Portman Guaranty	11 %
Bowater Co. Ltd.	10 %	P. S. Refson & Co.	10 %
[...] Holdings	10 %	Rossminster Accept'cs	9½%
[...]rhouse Japhet	10 %	Schlesinger Limited	11 %
Coates	11 %	E. S. Schwab	11½%
[...]idated Credits	12 %	Security Trust Co. Ltd.	12 %
[...]rative Bank	*10 %	Shenley Trust	11½%
[...]ian Securities	9½%	Standard Chartered	9½%
Lyonnais	10 %	Sterling Credit	12 %
Dawes	11½%	Thames Guaranty	11 %
Brothers	11½%	Trade Development Bk.	10 %
[...]n Lawrie	11 %	Twentieth Century Bk.	12½%
[...]h Transcont	11 %	United Bank of Kuwait	9½%
London Secs.	9½%	Whiteaway Laidlaw	10½%
Gibbs	10 %	Williams & Glyn's	9½%
Durrant Trust	11 %	Yorkshire Bank	9½%
[...]und Guaranty	9½%		
[...]ays Bank	**9½%		
[...]ss Mahon	10 %		
[...]os Bank	10 %		
[...] & Partners	13 %		
[...]amuel	§10 %		
[...]are & Co.	†10 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 6%, 1-month deposits 6½%.

† 7-day deposits on sums of £10,000 and under 6%, up to £25,000 6½% and over £25,000 7½%.

§ Demand deposit 7½%.

** Call deposits over £1,000 5½%.

On the boil in the background as members of the Council of Engineering Institutions sit down to-morrow night to celebrate the 10th anniversary of the granting of their Royal Charter is a row which could threaten the CEI's very existence. **Kenneth Gooding** explains the issues.

Welding the right image

THIS HAS been a year of turmoil and recrimination for the Council of Engineering Institutions, central body of Britain's most-powerful engineering bodies. The row has blown up on the eve of a banquet in London's Guildhall to mark the tenth anniversary of the granting of the CEI's Royal Charter and the end of Prince Philip's year of office as president.

During the year, the second-largest of the member institutions, the 30,000-strong Institute of Electrical Engineers, decided to quit, and there have been a number of calls for a Government inquiry into the future of the engineering profession.

This might appear to be a simple family quarrel, but there are important implications within it for Britain's future as a manufacturing country. It is generally agreed that U.K. manufacturers need to include a higher technological content in the products they offer the world if they are to compete with the developing countries.

Flexible

The row has centred on plans to restructure the CEI to allow it to be more flexible in reacting to outside influences, to provide the professional engineers with a powerful voice when dealing with the Government, and to provide much more effective public relations on behalf of the profession.

What is at the back of it all, however, is the tremendous frustration among younger engineers in particular about their lack of status in the community.

There is certainly confusion in the public's mind about the shop-floor engineer, and the highly-qualified professional. The so-called "dirty fingernails" image has stuck to anyone who calls himself "an engineer," and in this context it is easy to see why the professional engineers react with such anger and concern when people who should know better compound the confusion. A recent example here is the protests which followed the Tate and Lyle corporate campaign aimed at telling people the company was involved in more than the production of sugar. What angered many professionals was that Tate and Lyle illustrated its engineering division with a sketch showing Mr. Cube wearing a tin hat and other shop-floor accoutrement.

Inward looking

There are around 300,000 professional engineers in the U.K. They represent the country's second-largest profession, coming behind the teachers and just in front of the nurses. But the profession has tended to fragment into specialisation after specialisation and become very inward-looking.

The lack of a favourable "image" has played its part in keeping away many people who might have had an enormous contribution to make to the profession. For some years now the universities and polytechnics have not been able to fill from the U.K. all the vacant places on engineering degree courses. As a result, more and more places have been taken up by overseas students.

Standards of entry have been lowered to attract more people to the engineering places and this has had its effect on the recruiting of people for technician courses. Boys who in the past would have been content with Higher National Certificate courses now find themselves eligible for a university place, with obvious effects on the number of HNC candidates. Yet manufacturing industry needs this second strata of trained men as much as it needs the engineer with a degree.

There is a certain amount of concern among the older generation of engineers that the profession is not attracting first-rate people in enough numbers. "And without first-class people you will not get the leadership the profession deserves and needs," the argument goes on. Instead, there may be just interminable debate.

To some extent, this is what appears to have happened within the CEI. For three years the three largest members, the Mechanicals, with 73,000 members, the Electricals (30,000) and the Civils (48,000) worked on proposals to strengthen the CEI, and decided that its great drawback was the federal structure. All 15 member institutions were entitled to one vote each, regardless of their size, and the rules insisting that a three-quarters majority was required before any proposal could be passed meant that any four institutions could block it.

The reformers suggested that all professional engineers should have direct membership of the CEI with the right to take part in elections to its governing body, a suggestion which split the CEI dramatically.

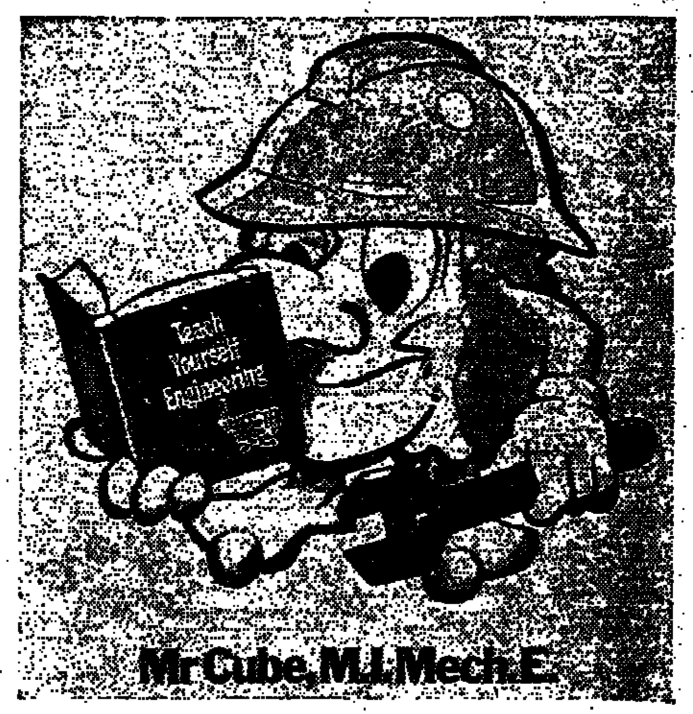
A compromise was worked out under which engineers would be individual members of the CEI but would vote through their own institutions for representatives to be nominated to the governing body. This compromise was devised by the Civils and won support, albeit somewhat reluctant, from most of the other institutions when it came to the vote.

But the Electricals had had enough and announced plans to pull out after launching a vitriolic attack on the CEI, saying that during its 13-year life it had been of no significant advantage to the electrical engineering profession and that the benefit to the engineering profession as a whole and to the public had been "lamentably small"—harsh words indeed. The withdrawal of the Electricals does not take effect until December this year because of the need to give a year's notice, but so far they seem as determined as ever to quit.

Chaotic

Their move was quickly followed by more pressure for a Government inquiry into the profession. Mr. Arthur Palmer, MP for West Bristol, renewed a previous appeal for an inquiry and said: "The decision by the IEE just emphasises again the chaotic state of the profession and strengthens the need for an inquiry." Mr. Palmer asked the Prime Minister for a broadly-based investigation which "would try to estimate the value of the engineer in modern society."

Mr. Wilson did not acceed to the request. At the CEI, Professor John Coales, its chairman, made the point that any Government inquiry would probably come to the conclusion that what the profession needed was something like the CEI, perhaps with some kind of statutory backing. In that case, why not let the CEI go on for a while and see what it could achieve under its new rules? The Prime Minister seems to have accepted that argument: he said that it would be "premature" to set up an inquiry and asked Mr. Eric Varley, the Secretary for Industry, to "keep in close touch with the situation."



Mr. Cube as engineer—no welcome from the professionals.

Professor Coales remains optimistic. He is sure the CEI can survive, do a good job of public relations for the profession and attract the Electricals back to the fold.

Six out of ten of the 200,000 engineers represented by the 15 member institutions do not belong to trade unions. Traditionally, they have prided themselves on providing a necessary link in the chain between (unionised) shop floor employees and management. But this stance has seen the professional engineers losing out in the pay packet as well as in status.

Now that the Employment Protection Act is with us and the Trade Union and Labour Relations (Amendment) Bill probably soon will be, the CEI has decided—and said last week in a clear voice—that it is now time for professional engineers to join a trade union.

Meanwhile the Electricals have pressed on and produced more proposals for the reorganisation of the profession. These have gained the active support of the Mechanicals—but so far not the rest of the CEI membership. Under them the profession would have a four-handed structure which would include, as the "image" building organisation, a "Corporation of Chartered Engineers." It is suggested that this should include representatives from the Department of Industry, the Department of the Environment, other appropriate Government departments or education bodies, the CBI and the TUC, thus introducing outside influences to an engineers "talking-shop."

Despite a series of disasters—box-girder bridges collapsing, the cracking-up of the Ferrybridge power station, the Flixborough explosion and so on—the reputation of British engineering throughout the world remains high.

While some professional engineers still believe that they should keep their heads down and do a quiet, professional job, the majority seem to support the views of Sir Alan Cottrell, Master of Jesus College, Cambridge, and one-time Chief Scientific Adviser to the Conservative Government.

Public policy

Speaking at the CEI last week, Sir Alan said: "I want to argue that it is no longer sufficient to do a good professional job in the production shop, design and development department or sales office. The country needs something even more than this from the professional engineer. It needs to hear the voice of the engineer in public . . . to advise on the expected effects of industrial and technical developments and of the influence of world trends; and to join actively in the great national debates on public policy."

The engineering institutions should press for better representation and counselling to Government, insisted Sir Alan. The professional's training befits him to "attack low standards of political utterances and shoot down all crackpot arguments."

The question Sir Alan did not answer, however, is how the profession can make this kind of impact without a strong, unified central voice—the kind of voice the CEI has attempted, but so far failed, to provide.

JOBS COLUMN

Cheese etc · Paris · milk

BY MICHAEL DIXON

se for example. If a company to make night run into a

he first few batches you short of work- and with no possi- ling the cheese until ured. At the same anks might be reluc- l you the money you se they don't know ough to be confident ng unpleasant will o your work-in- fore it is sold.

problem could be f you agreed to place in the charge of a an" organisation established in the orld a reputation for secure control of kinds of working

e Collateral has been in this way in North or a good while now, cently started a sub- o provide similar services in the gdom.

Brookes, the U.K. director, is now look- operations manager installing the neces- l arrangements, and g and continuously he working assets for London-based com- en responsibility. The at the recruit will ee months working American who has ng to start the U.K. and will also have s' training in San tes must be skilled in the finance/accounting field, and be able to demonstrate a capacity for quick, clear, commercial thinking. Background could be banking, consulting, or industry. Age indication is mid-30s. Starting salary about £6,000. Car. Loan for house-buying if needed.

Applications to Terry Ward, the executive recruitment consultant who has lately joined Brook Street Bureau, presumably with the aim of extending BSB's activities into the managerial jobs market. Mr. Ward's address is 47, Davies Street, Mayfair, London W1Y 2LN—Tel. 01-629 8866.

CHRISTOPHER DOBIE, a director of the international insurance brokers, H. Clarkson (Overseas Holdings), wants a successful executive in the non-marine area to join Clarkson's Paris company. Aged about 30, the newcomer will help to build up business in France and also to develop it internationally by means of the company's network.

"A typical example," Mr. Dobie says, "would be the provision of an insurance service to French companies who invest in Iran."

Candidates should have experience both in the new business and in the technical aspects of insurance, and like the idea of working permanently in Paris. Obviously, language skill would help.

Salary is not quoted, but I would guess that for the youngest group it would be the equivalent of not less than £5,000, bearing in mind the higher cost of living in the French capital.

Applications in writing to Mr. Dobie at Ibex House, Minories, London EC3N 1HJ.

HULL-BASED Northern Foods wants a group chief technical executive. This is a £100m.-plus turnover group with divisions covering milk and milk products, flour milling and cake, and brewing.

The consummate food technologist who gets this job will direct new-product development and be responsible for quality control through to retail sale, both under the company's own brands and through multiples including Marks and Spencer. There are more than 30 main processing plants, each with its own quality control function.

Candidates should have graduate-level training in food technology, and relevant experience preferably covering chilled or frozen products, though not necessarily milk. Knowledge of the D bit of R and D is important, and of manufacturing helpful. Salary £10,000 at least.

Applications to John Sykes of PA Management Consultants (60a Knightsbridge, London SW1X 7LE—tel. 01-235 6060).

AN ENLIGHTENED approach to age is being taken by Neilson Lapraik, chief executive of the Import Opportunities Office for Developing Countries, in the search for an assistant. Candidates could be either 27-37 or in their mid-50s.

The office was formed in December, 1973, to help developing countries to improve their exports to the U.K. and other better-off nations, and lives at the London Chamber of Commerce and Industry. It is associated with the Ministry of Overseas Development, and works in liaison with all manner of governmental and other organisations concerned with the appropriate areas of trade.

Applicants for the assistant-to-the-chief-executive's job must have commercial and administrative experience. If this has included work in a developing country, so much the better, and skill in French or Spanish would help.

Salary about £4,500. Applications in writing to Miss Virginia Alexander, personnel officer at the LCCI (69, Cannon Street, London, EC4N 5AB).

INQUIRIES ABOUT the following by telephone to the PER consultant named.

The National Enterprise Board wants a qualified accountant in Liverpool to appraise investment projects. Experience required in financial side of investigation work, in corporate finance with merchant bank or financial consultancy. Age about mid-30s. Salary about £7,000. Anne Getty 051-227 4111 extension 551.

Trevors, the loss-adjusters, wants a company-secretary-cum-general-administrator to be responsible for all aspects of accounting and financial supervision, the pension scheme, recruitment and so on. Base London. Salary about £5,000. David Mason-Johns 01-235 7030 extension 343.

WEEK'S FINANCIAL DIARY

The following is a record of the principal business and financial engagements during the week. The Board meetings are usually for the purpose of considering dividends and official indications are not available whether dividends concerned are interims or finals. The sub-division shown below is based mainly on last year's time-table.

TO-DAY

COMPANY MEETINGS—
Castlefield (Klang) Rubber Estate, 1, Great Tower Street, E.C., 12.30.
Gloucester and Cheltenham Greyhounds, 121, Ebury Street, S.W., 12.
Williams Lea, 234, Old Street, E.C., 12

BOARD MEETINGS—
Finals:
A.E.C. Machinery
Manchester Ship Canal
McCleery L'Amie
Scottish Western Inv.
Interims:
Gripperrods
Ratcliffe (F. S.) Inds.

DIVIDEND & INTEREST PAYMENTS—
Assoc. Engng., 2.66p
Baker Perkins, 1.5p
Bassett (Geo.), 0.78p
Bishop Auckland 6¾pc Bds. 9/2/77, 3⅜pc
Brunswick Corp., 0.10cts.
Bulmer (H.P.), 0.9334p
Gloucester and Cheltenham Greyhounds, 0.57p
Hunting (Eden) Tankers, Redemption of 6½pcDb. 1979 at £102 per £100 nominal of stock together with accrued interest
Mitchell Somers, 0.43p
Owens and Robinson A and B Ord., 5p
Radiant Metal Finishing, 0.5025p
Teesside 6¾pcBds. 9/2/77, 3⅜pc
Weston Evans 0.8207...

...

Trident Printers, 1.27098p
U.K. Optical and Ind., 1.4p
Wallis (Costumiers), 1p
Westland Aircraft, 1.62435p

FRIDAY, FEBRUARY 13

COMPANY MEETINGS—
Lee (Arthur), Sheffield, 12.30
Speedwell Gear Case, Birmingham, 12

BOARD MEETINGS—
Finals:
Ward
Interims:
Fisher (Albert)
Heywood Williams

DIVIDEND & INTEREST PAYMENTS—
Agricultural Mtg. Corp. 6¼pcBds. 13/2/76, 3⅛pc
Allerdale 11⅝pcBds. 18/8/76. 5[13]⁄[16]pc

...

Chase Manhattan Corpn. 55cts.
Combined Insurance of America, 18.5cts.
Daily Mail and Gen. Tst. Ord. and A. 3.575p
Scottish Metropolitan Prop. Dbs. 3[1]⁄[16] (1979-84) 3⅛ and 3[1]⁄[16] (1988-93)

SUNDAY, FEBRUARY 15

DIVIDEND & INTEREST PAYMENTS—
Borg-Warner, 33¾cts.
Colgate Palmolive, 19cts.
E. Inburgh 5pcRed. 1975-77 2½pc. 6½pc Red. 1977-79 3¼pc
Fishguard and Rosslare Rlys. and Harbours Gtd. Pf. (3½pc), 1.225pc
Greater London 7¼pc 1977 3⅝pc. Do. 1990-92 3¼pc. 6½pc 1977 3¼pc
Grenada 4½pc 1959-78, 2¼pc
Jamaica 6pc 1977-82, 3pc
Kenya 5pc 1978-82, 2½pc
Nottingham 6¾pcRed. 1976-78 3⅜pc
Sears Ln., 3⅝pc
Securities issued by Intnl. Bank for Recon. and Devlpmt. 5pcStk., 2½pc
Treasury Stk. 6½pc 1976, 3¼pc. Do. 3½pc 1979-81, 1¾pc
Zapata Cpn. 7½c.

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
To-day	Audio Visual Training Equipment Ex. (cl. Feb. 13)	U.S. Trade Center, W.1
Feb. 13—14	*Cruft's Dog Show*	Olympia
Feb. 15—19	Blackpool Gifts Fair	Winter Gardens
Feb. 15—19	Welsh Gift Fair	Sophia Gdns., Cardiff
Feb. 17—19	*Brit. Growers Look Ahead: NFU Exbn./Conf.*	Harrogate Exbn. Centre
Feb. 24—26	London Smallwares Trade Fair	Berners Hotel, W.1
Feb. 24—28	Automatic Laboratory Techniques Exhibition	West Centre Hotel, S.W.6
Feb. 24—28	*National Stamp Exhibition*	New Horticultural Hall
Feb. 25—28	Ideal Homes Exhibition	Market Hall, Carlisle
Feb. 26—Mar. 7	Boat Show '76	Belle Vue, Manchester
Mar. 1—4	*International Men's and Boys' Wear Exhibition*	Earls Court
Mar. 2—5	Italian Knitwear Exhibition	Italian Trade Centre, W.1
Mar. 9—20	Chelsea Antiques Fair	Town Hall

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Date	Title	Venue
Feb. 13—16	Men's Fashion Show	Florence
Feb. 14—20	International Toys Exhibition	Paris
Feb. 16—19	International Hardware Fair	Cologne
Feb. 16—20	International Leather and Footwear Week	Zagreb
Feb. 17—20	Offshore South East Asia Exhibition	Singapore
Feb. 19—26	International Food Fair	Brno, Czechoslovakia
Feb. 20—29	Building Exhibition	*Brussels*
Feb. 21—25	Design Engineering Exhibition	Dusseldorf
Feb. 21—29	Motor Show	Chicago
Feb. 22—25	American Toy Fair	*New York*
Feb. 22—26	International Spring Fair	Frankfurt
Feb. 22—27	Spring Gift, Jewellery and Housewares Show	Dallas
Feb. 25—Mar. 4	*International Mechanical Handling Exhibition*	Basle
Feb. 27—Mar. 7	International Boat Show	Stockholm
Feb. 28—Mar. 7	International Tourism-Exchange Exhibition	Berlin
Feb. 28—Mar. 14	Ideal Home Exhibition	Paris
Feb. 29—Mar 3	European Fashion Fair	New York
Mar. 11—21	International Motor Show	Geneva

BUSINESS AND MANAGEMENT CONFERENCES

Date	Title	Venue
Feb. 12	Executive Information: Leadership Crisis	Hyde Park Htl., S.W.1
Feb. 12	Henley Centre: Forecasting Systems	Howard Hotel, W.C.2
Feb. 12	WTI: Trading with the OPEC countries	World Trade Centre, E.1
Feb 15—20	RPN: Safety in Plastics and Rubber Industry	Fanhams Hall, Ware
Feb 16—17	Wales Man. Centre: Industrial Marketing	Newcastle-upon-Tyne
Feb 16—20	P-E Cons. Group: Leadership in Management	Training Centre, Egham
Feb 16—20	Urwick Man. Centre: Management in R and D	Slough, Bucks.
Feb 16—20	Ind. Assessment and Research: *Personnel Testing*	*57, Marylebone High St., W.1*
Feb. 16—20	Roffey Park/IPM: Interaction Analysis	Roffey Park College, Horsham
Feb. 17—18	Financial Times, Chamber of Commerce and Industry, Kuwait, Fairplay International Shipping Weekly: Arab Shipping and Trade	Chamber of Commerce & Industry, Kuwait
Feb. 17—20	Petroleum News: Offshore South East Asia	Singapore
Feb. 18	*A.M.R.: Selling to the Arabian Peninsula*	Grand Hotel, Bristol
Feb. 18—20	Frank Jefkins: Effective Publicity Writing	Connaught Rooms, W.C.2
Feb. 22—Mar. 6	W. D. Scott: Organisation & Methods	Moor Hall, Cookham, Berks.
Feb. 24	E.B.I.: Prospects for Medium-Term Borrowing	Cafe Royal, W.1
Feb. 24/25	ESC-CBI: Product Liability/Fair Trading Now	Hilton Hotel, W.1
Feb. 24—26	Coll. Dist. Trades: The Financial Module	30, Leicester Sq., W.C.2
Feb. 24—26	Dept. of Ind.: Maintenance Engineering	Royal Lancaster Hotel, W.2
Feb. 26	Inst. of Fuel: Growing Energy	Royal Htl., Southampton
Feb. 26	BCEMA: Profit from Plant Performance	Cafe Royal, W.1
Feb. 26—27	Fire Protection Assn National Conf.	Excelsior Htl., Heathrow
Feb. 27	Inv. and Prop Studies: Development Land Tax	Royal Lancaster Hotel, W.2
Mar. 1—4	ORC (U.K.): Paying People Abroad	Carlton Tower Hotel, S.W.1
Mar. 1—5	BACIE: Training for the Office	Training Centre, W.1
Mar. 3	Decimus: Communications Crisis in Industry	Quaglino's, Bury St., S.W.1
Mar. 3—4	Financial Times and Investors Chronicle: The City in National and International Finance	Royal Lancaster Hotel, W.2
Mar. 4	*Trent Polytechnic: Crisis Management 1976*	Novotel, Sandiacre, Notts.
Mar. 8—9	Sussex Univ.: Crisis in Capitalist Planning	Brighton
Mar. 8—19	Bradford University: Personnel Policy	Heaton Mount, Bradford
Mar. 9—10	Brunel Univ.: *Employee Surveys*	Uxbridge, Middlesex
Mar. 10—11	Financial Times, Varig Brazilian Airlines, Investors Chronicle: Business with Brazil	Intercontinental Hotel, Rio de Janeiro
Mar. 11	Fielden House: Dismissals—Fair or Unfair.	Bury
Mar. 12	Focus Research: Foreign Investment in Venezuela	Waldorf Hotel, W.C.2
Mar. 12—15	Man. Studies: Managing the Smaller Company	St. Peter Port, Guernsey

MPANY NOTICES

OR GREATER LONDON BILLS

eater London Council hereby that Tenders will be received lef Cashier's Office, Bank of ndon, EC2R 8AH, on Monday, ary, 1976, at 12 noon for don Bills to be issued in con- h the Greater London Council Powers) Act, 1967, to the £35,000,000.
, will be in amounts of £5,000, £25,000, £50,000, £100,000 0. They will be dated Thursday ary, 1976, and will be due 91 date, without days of grace. nder must be for an amount an £25,000 and must specify amount per cent. (being a one new halfpenny) which will or the amount applied for. must be made through a ker, Discount House or Broker. ls will be issued and paid at f England.
tion will be sent by post, on lay as Tenders are received, to s whose Tenders are accepted r in part and payment in full ounts due in respect of such enders must be made to the ngland, Loans Office, by means by draft or cheque drawn on of England not later than 1.30 hursday, 19th February, 1976. must be made on the printed h may be obtained either from Cashier's Office, Bank of Eng- on, EC2R 8AH, or from the ffices at The County Hall.
ater London Council reserve of rejecting any Tenders.
M. F. STONEFROST.
omptroller of Financial Services.
Hall.
1 7PB.
ry, 1976.

SH-AMERICAN TOBACCO COMPANY LIMITED

idends to holders of Ordinary ence Stock Warrants to Bearer IS HEREBY GIVEN that the in their Annual Report have ed to the Stockholders the n 1 April 1976 of a Final r the year ended 30 September 318p per 25p of Ordinary Stock. erim Dividend for the year end- eptember 1976 of 3.5p per 25p Stock has also been declared 1 April 1976. To obtain these (subject to the Final Dividend roved at the Annual General be held on 18 March 1976) Ordinary Stock Warrants must upon No. 276 with Morgan Trust Company of New York, rd Street, London, EC3P 3BH, lation five clear business days Saturdays) before payment is

idends will be paid against the Coupon No. 276.
f-yearly dividend on the 5% Stock for the year ending 30 1976 will be paid on 31 March pon No. 145 must be deposited an Guaranty Trust Company of , 33 Lombard Street, London, for examination five clear busi- (excluding Saturdays) before made.
will be accepted for deposit r 1 March 1976.
ORDER OF THE BOARD.
P. J. RICKETTS, Secretary.
r House,
SW1P 3JE.
1976.

8½% TREASURY LOAN 1980-1982
Bonds to Bearer

The Bank of England give notice that new COUPON sheets will be available on and after the 15th March 1976 in exchange for TALONS. Listing forms for talons are obtainable from the Loans Office, Bank of England, 1 & 2, Bank Buildings, Princes Street, London, and talons should be presented there for exchange by Authorised Depositaries, on behalf of holders, from the 8th March, 1976. Talons should not be presented through the post.

Authorised Depositaries are listed in the Bank of England's Notice E.C.1 and include banks, stockbrokers and solicitors practising in the United Kingdom.

Notice to Holders of Bearer Depositary Receipts (BDRs) in Common Stock of HITACHI, LTD.

We are pleased to confirm that copies of the Consolidated Financial Statements September 30, 1975 and 1974 of Hitachi, Ltd. and Consolidated Subsidiaries are now available to BDR holders upon application to the following conversion agents:—

Citibank Branches in:
Amsterdam — Frankfurt
Brussels — Milan
Paris

and at:
Banque Internationale à Luxembourg S.A.
Luxembourg

First National City Bank
London Depositary
February 1976

THE THOMSON ORGANISATION LIMITED

NOTICE IS HEREBY GIVEN that the Register of the 5.83% Cumulative Preference Shares of the Company will be CLOSED for one day only on Monday, 23rd February, 1976, *for the preparation of Dividend Warrants which will be payable on 31st March, 1976.*

By Order of the Board.
J. EVANS, Secretary.
4 Stratford Place,
London W1A 4YG.
23rd January, 1976.

LEGAL NOTICES

No. 00234 of 1976

In the *HIGH COURT OF JUSTICE* Chancery Division Companies Court. In the Matter of SOUTHERN ORGANS (INTERNATIONAL) LIMITED and in the Matter of The Companies Act, 1948.

NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 21st day of January 1976, presented to the said Court by RIPPEN PIANOFABRIEK N.V., whose principal place of business is Frankeneng Ede, Holland, and that the said Petition *is directed to be heard before the Court* sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL on the 23rd day of February 1976, and any creditor *or contributory of the said Company* desirous to support or oppose the making of an Order on the said Petition may appear at the time of hearing, in person or by his counsel, *for that purpose;* and a copy of the Petition will be furnished by the undersigned to any creditor or contributory of the said Company requiring *such copy on payment of the regulated charge for the same.*

HERBERT OPPENHEIMER,
NATHAN & VANDYK,
20, Copthall Avenue,
London Wall,
London, EC2R 7JH.
Solicitors for the Petitioner.

NOTE.—*Any person who intends to* appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his *intention so to do.* The notice must state the name and address of the person, or, if a firm, the name and address of the firm and must be signed by the *person or firm, or his or their solicitor* (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later *than four o'clock in the afternoon of the* 20th day of February 1976.

EDUCATIONAL

COMPANY NOTICES

VOTING NOTICE

to the holders of
European Depositary Receipts for
Common Stock of

Trio Kenwood Corporation

(Formerly Trio Electronics Inc.)

DESIGNATED COUPON No. 23

(Action Required on or prior to 13th February, 1976)

Chemical Bank, as Depositary (the "Depositary") under the Deposit Agreement dated as of May 1st, 1970, among Trio Kenwood Corporation (the "Company"), the Depositary and the holders of European Depositary Receipts (the "Receipts") issued thereunder in respect of shares of Common Stock, par value 50 yen per share, of the Company (the "Common Stock"), HEREBY GIVES NOTICE that the Custodian under such Deposit Agreement has received notice of a general meeting of stockholders of the Company to be held in Tokyo, Japan on 18th February, 1976.

The following, taken from the notice of the general meeting to be given by the Company, are the matters to be voted on at such meeting:

1) Approval of Balance Sheet as of November 20, 1975, Business Report, *Statement of Profit and Loss and Proposed Appropriation of un-*appropriated retained earnings for the 42nd Term (May 21, 1975 through November 20, 1975).

2) Election of one Auditor.

3) Granting of Gratuity to the late Mr. Yoshihiro Dan Auditor.

Such notice and the report or reports to be delivered in connection therewith, together with English translations of both, will when received, be available for inspection at the office of the Depositary in London and the office of any of the following Sub-Depositaries:

SUB-DEPOSITARIES

Chemical Bank,
Frankfurt/Main, Germany.
Banque Lambert-Luxembourg, S.A.,
Luxembourg City, Luxembourg.
Pierson, Heldring & Pierson,
Amsterdam, The Netherlands.

Voting rights under such Deposit Agreement may be exercised through the Depositary by holders of Coupon No. 23 by completion of the form of *proxy instructions for the matters to be voted on.* Such form of proxy instruction is available at the office of the Depositary in London or any Sub-Depositary listed above and provides also for instruction to the Depositary to give a discretionary proxy to a person designated by the Company.

The Depositary will endeavour to vote the Common Stock represented by a Receipt as instructed if such form of proxy instruction, properly completed and accompanied by Coupon No. 23 detached from such Receipt, is received by the Depositary or any such Sub-Depositary on or prior to 13 February, 1976.

In the absence of instructions by holders of Coupon No. 23 the Depositary may, in its discretion, give a discretionary proxy to a person designated by the Company, but no representation is made that it will do so. The Depositary *is not permitted by such Deposit Agreement to give a discretionary proxy* in the absence of instructions from coupon holders with respect to any proposition (1) as to which the Depositary has knowledge of any substantial contest as to the action to be taken at the meeting or (2) for the purpose of authorizing *a merger, consolidation or any other matter which may affect substantially the* rights or privileges of Common Stock or other securities on deposit with the Custodian under such Deposit Agreement.

Dated: 9th February, 1976.

CHEMICAL BANK, as Depositary
10, Moorgate,
London, EC2R 6DD, ENGLAND.

November 20, 1975, has been established as the record date for the determination of the Stockholders of the Company entitled to notice of and to vote at such meeting. All Receipts issued in respect of Common Stock not entitled to be voted at such meeting will be without Coupon No. 23 attached.

BASE RATE

Standard Chartered Bank Limited announces that, as from and including 9th February 1976, its Base Rate decreased from 10% to 9½% per annum.

Effective from the same date, the basic Deposit Rate is decreased to 5½% per annum.

Standard Chartered Bank Limited

Consumer help 'Best in Britain'

BRITAIN has the best local consumer advice system and the best enforced consumer legislation in the world, Mr. John Methven, Director-General of Fair Trading, said at the week-end.

But he warned that consumer legislation and the number of consumer bodies had led to "confusion" among the public. He said the general public should know its rights and obligations, and traders should trade on the highest possible standard, leaving his office and the Department of Prices and Consumer Protection to deal with the dishonest minority.

INTERIM STATEMENT

MIDDLE WITWATERSRAND (WESTERN AREAS) LIMITED

(Incorporated in the Republic of South Africa)

Interim Report for the half-year ended 31st December, 1975

FINANCIAL RESULTS

The unaudited consolidated financial results of the Company and its subsidiaries are estimated as follows:

Eighteen months ended 30th June, 1975		Half-years ended 31st December 1975	1974
R 000		R 000	R 000
9 233	Turnover*	2 659	3 012
8 465	Profit before taxation	2 216	2 781
256	Taxation	—	124
8 209	Profit after taxation	2 216	2 657
4	Attributable to outside shareholders *of subsidiaries*	2	—
8 205		2 214	2 657
320	*Preference dividends*	67	125
7 885	Profit attributable to ordinary shareholders	2 147	2 532
9 568 222	Issued ordinary shares	9 568 222	8 991 490
	Earnings per ordinary share—		
86 cents	Including profit on realisation of investments†	22 cents	28 cents
75 cents†	—excluding profit on realisation of investments	20 cents	25 cents

* *Turnover represents the aggregate of income from investments,* interest, profit on realisation of investments and other income.
† Based on average number of ordinary shares in issue during the period.

DIVIDENDS PAID DURING THE HALF-YEAR

8% 'A' and 'B' Preference shares R67 000 R125 000

Interim ordinary dividend No. 43 of 15 cents per share amounting to R1,435,000 (1974—14 cents—R1,259,000) was declared in November 1975 and paid on 31st December 1975.

SHARE CAPITAL

On 1st January 1976, 157,390 8% 'B' *Preference shares were lodged for* conversion into 62,956 ordinary shares thus leaving 169,625 8% 'B' Preference shares outstanding. The total number of ordinary shares *now in issue is 9,631,178.*

INVESTMENTS

The market value of the Company's listed investments, including subsidiaries, at 31st December 1975 was R48,593,000 (1974—R77,271,000) compared with a book value of R16,922,000 (1974—R16,788,000). The book value of the unlisted investments of the Company and its subsidiaries at 31st December 1975 was R7,316,000 (1974—R7,207,000).

For and on behalf of the Board
Clive S. Menell (Chairman)
R. T. Swemmer
Directors.

Registered Office:
Anglovaal House,
56 Main Street,
Johannesburg, 2001.

London Secretaries:
Anglo-Transvaal Trustees Ltd.,
295 Regent Street,
London, W1R 8ST.

6th February 1976.

FT SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 66% (based on $2.0286 per £)

CANADIANS

S.E. List Premium 66% (based on $2.0155 per £)

Conversion factor 0.5380 (0.5960)

BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Cont.

FOOD, GROCERIES, ETC.

HOTELS & CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

MINES

CENTRAL RAND

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
Aug. Feb.	Durban Deep R1	400	30.6	Q20c	ϕ	2.8
Aug. Feb.	E. Rand Prp. R1	470	12.12	Q35c	ϕ	4.1
—	Rand Leases 2½c	16	6.58	—	—	—
— —	Randf'tn Est. R2	£15¾	12.70	—	—	—
Aug. Feb.	West Rand R1	140	12.12	Q10c	ϕ	3.9

EASTERN RAND

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
May Nov.	Bracken R1	190	22.9	Q52c	1.0	15.1
February	Daggafontein 50c	7	17.2	—	—	—
Aug. Feb.	East Dag R1	26	12.74	—	—	—
Aug. Feb.	Gvnt. Areas 5c	140#	6.10	—	—	—
Aug. Feb.	Grootvlei 30c	105	29.12	Q20c	ϕ	10.5
May Nov.	Kinross R1	405	22.9	Q54c	1.4	7.4
May Nov.	Leslie 70c	64	7.4	Q18c	1.4	15.5
Aug. Feb.	Marievale 70c	160	29.12	Q42c	ϕ	14.5
Aug. Feb.	S. African Ld. 35c	160	29.12	Q30c	ϕ	9.2
Aug. Feb.	Vlakfontein R1	87	29.12	Q20c	ϕ	12.7
May Nov.	Winkelhaak R0	730	22.9	Q108	1.1	8.2
Sept.	Wit. Nigel 25c	30	8.74	—	—	1.4

FAR WEST RAND

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
Feb. Aug.	Blyvoor 25c	630	12.12	‡Q100c	1.3	‡
Feb. Aug.	Buffels R1	£13	12.12	Q180c	1.4	7.7
—	Deelkraal R0.20	178	—	—	—	—
Feb. Aug.	Doornfontein R1	640	29.12	‡Q110c	1.4	‡
Aug. Feb.	East Drie R1	850	29.12	Q75c	ϕ	4.7
—	Elandsr'd Gld Mng 20c	255	—	—	—	—
Feb. Aug.	Elsburg R1	165	12.12	Q33.8c	ϕ	11.3
Feb. Aug.	Hartebeest R1	£15½	12.12	Q215c	1.4	7.7
Feb. Aug.	Kloof Gold R1	630	29.12	Q55c	1.4	4.8
Feb. Aug.	Libanon R1	580	29.12	‡Q110c	1.9	‡
— —	Southvaal 50c	575	29.12	Q8c	ϕ	0.8
Aug. Feb.	Stilfontein 50c	240	12.12	Q36c	ϕ	8.3
Aug. Feb.	Vaal Reefs 50c	£19¼	29.12	Q175c	ϕ	5.0
Feb. Aug.	Venterspost R1	345	29.12	‡Q70c	1.9	‡
Feb. Aug.	W. Drie R1	£29¼	29.12	†Q485c	1.2	†
Dec. Aug.	W'st'rn Areas R1	260	12.12	Q52c	ϕ	11.1
Feb. Aug.	Western Deep R2	£13½	29.12	Q147½c	ϕ	6.0
Feb. Aug.	Zandpan R1	283	12.12	Q35½c	1.0	7.0

O.F.S.

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
Sept.	Fr. State Dev. 50c	130xd	26.1	Q14c	1.6	6.0
May Nov.	F.S. Geduld 50c	£22	22.9	330c	1.3	8.3
—	F.S. Saaiplaas R1	96	22.9	7½c	2.6	3.5
May Oct.	Harmony 50c	460	22.9	Q77c	1.8	9.2
Nov.	Loraine R1	145	22.9	Q6c	0.5	2.3
May Nov.	Pres. Brand 50c	£17¼	22.9	Q250c	1.3	7.8
May Nov.	Pres. Steyn 50c	£10⅝	22.9	Q125c	2.2	6.5
May Nov.	St. Helena R1	£21¼	22.9	Q250c	1.2	6.3
—	Unisel	140	—	—	—	—
May Nov.	Welkom 50c	310	22.9	Q55c	1.7	9.8
May Nov.	W. Holdings 50c	£25	22.9	Q475c	1.2	10.9

FINANCE

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
May Nov.	Ang. Amer. 10c	340	6.10	Q29c	2.0	4.7
Mar. Aug.	Ang. Am. Gold R1	£27½	30.6	Q260c	ϕ	5.3
Feb. Aug.	Ang.-Vaal 50c	£12¾	12.12	†Q95c	3.7	4.2
Apr. July	Charter Cons.	160	1.12	6.21	2.2	6.0
Nov. July	Cons. Gold Field	200	20.10	6.7	4.3	5.2
Feb. Aug.	E. Rand Con. 10p	23	21.4	0.92	1.4	6.2
Mar. Sept.	Geduld Inv. R1	320		Q40c	ϕ	7.1
Oct. May	Gen. Mining R2	£23	22.8	†Q210c	2.1	5.1
May Sept.	G. Fields S.A. 25c	£19¾	22.8	Q225c	1.3	6.4
Dec. Oct.	Jo'burg Cons. R2	£21xd	26.1	Q165c	2.5	4.4
Aug. Feb.	Middle Wit 25c	330	12.12	†Q25c	2.0	4.7
Mar. Oct.	Minorco SBD1.40	224	8.9	Q14c	—	3.4
May Sept.	New Wit 50c	150	22.8	Q20c	1.6	7.5
—	Patino NV Fls 5	840	—	QC40c	10.5	2.3
July Dec.	Rand Selection 50c	700	17.11	Q75c	1.5	5.9
Jan. July	Selection Trust	510	1.12	14.0	2.0	4.2
Aug. Mar.	Sentrust 10c	200	12.12	Q30c	1.2	8.3
Dec. July	Silvermines 2½p	58	22.9	‡4.0	1.6	‡
May Nov.	SW Africa 20p	100	3.11	17.87	2.0	27.5
July Jan.	Tvaal. Cons. Ld. R1	£11¾	1.12	Q65c	2.0	3.1
Mar. Sept.	U.C. Invest R1	255	8.7	Q36c	ϕ	8.1
May Nov.	Union Crp. 6.25c	420	6.10	Q42c	1.6	5.5
Sept. Mar.	Vogels 2½c	65	22.8	Q6c	1.0	5.1

DIAMOND AND PLATINUM

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
Nov. May	Anglo-Am. Inv. 50c	£29½	22.9	Q290c	1.0	5.4
Dec. Sept.	Bishopsgate Plt. 10c	99	1.12	Q3.1	ϕ	1.7
May Nov.	De Beers Df. 5c	324	8.9	Q25c	2.2	4.3
Jan. Aug.	Do. 40pc Pf. R5	£14	16.6	1.10	125.5	7.7
Nov. May	Lydenburg 12½c	100	20.10	Q2.9c	1.5	1.6
Nov. May	Pot. Plat. 2½c	160	20.10	Q5c	1.0	1.7
Nov. May	Union Plat. 10c	158	20.10	Q4.96c	1.0	2.0
May Nov.	Waterval 5c	136	20.10	Q5.2c	1.0	2.1

CENTRAL AFRICAN

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
November	Coronation 25c	118	22.9	Q34c	2.1	15.9
November	Falcon Rh. 50c	122	22.9	†Q35c	1.3	—
September	Globe Phnx 12½p	36	22.8	1.25	0.2	5.3
March	Rhn.-Corp. 16⅔p	19	24.3	Q5	8.0	4.4
J. M. Ju. O.	Roan Cons. K4	165	12.74	‡Q26.0	4.7	‡
Jan. July	Tanganyika 50p	174	6.10	‡Q26	1.2	‡
Aug. July	Do. Pref. 80p	65	30.6	Q9	15.0	11.6
Nov. June	Wankie Col. Rh.1	45	6.10	Q6½c	1.3	10.0
NvAgApJn	Zam. Cpr. SBD0.24	38	11.74	Q1.90	3.2	5.0

AUSTRALIAN

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
—	Acmex 25c	[illegible]	—	—	—	—
April	A. M. and S. 50c	[illegible]	16.9	‡Q14c	1.5	‡
Nov. Apr.	Bougainville 50c	107	8.9	Q27½c	1.4	‡
Nov. June	BH South 50c	130	9.74	—	—	—
— —	Gold M. Kalg. $1	60	6.67	—	—	—
February	Gt. Boulder 10c	74	11.73	ϕQ2c	2.8	1.5
September	Hampton Areas 5p	70	26.7	1.18	4.2	2.6
— —	Metals Ex. 50c	47	—	—	—	—
—	Metramar 20c	17	—	—	—	—
Nov. June	M.I.M. Hldgs. 50c	216	8.9	‡Q10c	1.8	2.6
May Sept.	M. Lyell 25c	90	—	Q5c	ϕ	3.2
—	Newmetal 10c	2½	—	—	—	—
June Nov.	North B. Hill $1	154	30.10	Q9c	1.4	3.3
— —	North Kalg. 30c	8	—	—	—	—
June Nov.	Oakbridge $A1	68	23.9	Q8c	0.9	6.8
—	Pacific Copr. 25c	14	—	—	—	—
— —	Pancont'l 25c	£16	—	—	—	—
—	Paringa M&Ex 5p	11½	—	—	—	—
Apr. Oct.	Peko-Walls'd 50c	530	30.9	Q15c	ϕ	1.6
—	Poseidon 20c	165	30.6	—	—	—
— —	Vultan Min. 50c	12	—	—	—	—
—	Westmex 10c	6	—	—	—	—
Oct. May	W. Mining 50c	150	8.9	‡Q8c	0.8	3.9
—	Whim Creek 20c	43	—	—	—	—

TINS

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
September	Amal. Nigeria	40	22.9	5.62	1.6	†
Apr. Oct.	Ayer Hitam	160	8.9	13.0	1.8	12.5
June Oct.	Beralt Tin	20	1.12	Z1.75	—	13.5
Jan. July	Berjuntai SM25	350	12.12	‡Q5M2	ϕ	‡
Apr. July	Ex Lands 10p	16	16.6	15	3.8	14.4
Apr. Oct.	Geevor	155	8.9	‡12	2.3	‡
Nov. May	Gold & Base 12½p	12	10.74	—	—	—
June Dec.	Gopeng Cons.	180xd	26.1	11.0	ϕ	9.4
—	Hongkong	64	11.67	—	—	—
Sept. Mar.	Idris 10p	60xd	26.1	6.7	2.2	17.2
— —	Jantar 12½p	7	4.67	—	—	—
Dec. Apr.	Kamunting 15p	33	20.10	‡7.0	1.2	‡
July Dec.	Killinghall	145	12.12	Q50.0	ϕ	34.5
Apr. Dec.	London Tin 20p	148	3.11	7.0	1.3	7.3
Dec. June	Malay Dredging	168	1.12	10.7	2.0	9.8
June Dec.	Pahang	57	22.9	Qh2.6	ϕ	10.8
July Jan.	Pengkalen 10p	40xd	26.1	7.0	ϕ	26.9
March	Petaling SM1	112	27.1	—	—	—
Jan. July	Saint Piran	21	11.2	—	—	—
Apr. Nov.	South Kinta (10p)	80xd	26.1	‡9.5	1.5	‡
June Dec.	Sthn. Malayan	106	1.12	10.7	0.9	15.6
July Dec.	Sungei Besi 20p	31	2.6	‡6.0	3.0	‡
Mar. Oct.	Sungei Way SM1	29	9.74	ZQ10	—	6.0
Sept. July	Tanjong 15p	40xd	26.1	4.0	ϕ	15.4
Jy Mar Sep	Tongkah Hb SM1	46	31.1	Q23%	0.6	9.6
Apr. Oct.	Tronoh	59	8.9	†4.02	3.5	10.5

COPPER

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
—	Botswana RST R2	56	—	—	—	—
June Dec.	Messina R0.50	310	1.12	Q35c	1.9	6.2

MISCELLANEOUS

Dividends Paid	Stock	Price	Last xd	Div Net	Cvr	Yld Gr's
—	Burma Mine 17½p	9	19.5	m0.5	—	1.5
—	Charterhall 5p	20½	3.67	—	—	—
Aug. Feb.	Cons. Murch. 10c	880	12.12	Q80c	ϕ	5.0
— —	Laurasia	40	—	—	—	—
July	Northgate C$1	348	27.3	tQ25c	1.0	4.0
Jan. June	R.T.Z.	197	17.11	g5.51	4.4	4.3
—	Sabina Inds. C$1	107	—	—	—	—
—	Stanford Mines$	45	—	—	—	—
—	Tara Exptn $1	£10½	—	—	—	—
— —	Yukon Cons. C$1	113	11.65	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment-dollar premium.

- ▲ Sterling denominated securities which include investment dollar premium.
- ■ "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ϕ Figures or report awaited.
- †† Banks and Insurance: reserve allocations may preclude calculation of dividend cover.
- # Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ‡ Not comparable.
- ♦ Same interim: reduced final and/or reduced earnings indicated.
- § Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♥ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment.
A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1976. N Dividend and yield based on prospectus or other official estimates for 1976. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 21

FINANCIAL TIMES
Monday February 9 1976

ALAN RIDING reports from Guatemala City, Feb. 8

Panic grows with new 'quake

"My baby brother was born on Tuesday and was killed on Wednesday" says a little Indian girl, . . . A woman screams: "The earthquake killed my daughter" . . . Silently, families queue to bury their dead in little home-made coffins.

GUATEMALA'S earthquake disaster continues to grow in magnitude and horror.

Every day more towns and mountain villages are found devastated by last Wednesday's wave of destruction, while the capital's population is kept in near-panic by the continuing strong earth tremors.

"Is this what the end of the world is like?" one woman asks. Like hundreds of thousands of other Guatemalans—even those whose homes are still standing—she sleeps out of doors as a precaution against another 'quake.

A particularly fierce tremor rumbled through the capital last Friday, sending people running through the streets in fright. "This could mean the beginning of a new series of earthquakes," an American geologist said solemnly.

Death toll

To-day, another chain of 'quakes — the third — shook parts of Guatemala, making buildings in the centre of Guatemala City sway, and causing more damage.

The latest tremor heavily damaged the city's psychiatric hospital, where patients left the premises in the confusion.

Few open spaces are uninvaded by families improvising tents of sheets and coloured blankets, mothers and children huddle around fires at night to keep out the cold mountain air. Most towns and villages within a radius of 50 miles of the capital have already been reduced to rubble.

With towns cut off by landslides and many bodies still buried in rubble, the death toll is impossible to know.

The President's office put the death toll at more than 7,000, but the National Emergency committee later set the figure at over 12,000.

For an eye-witness, the tragedy becomes real through a series of shocks: old mattresses and cheap cooking utensils lie scatterred down a ravine where a landslide carried away slum dwellings.

A 15-year-old Indian girl says calmly that her baby brother was born on Tuesday and died on Wednesday; the telegraph office is the only building left standing in a town of 5,000 people.

Family groups silently queue at a cemetery to bury their dead in little home-made coffins; more than 1,000 badly-wounded people lie crowded on beds and mattresses in the gardens of a damaged hospital: a woman, standing among correspondents, screams that her daughter has died.

The main obstacle to mounting an effective nation-wide relief operation so far has been the lack of information about the damage and needs in the countryside.

In the northern part of Guatemala City, where poor families lived 10 to a room, many of the brightly-painted adobe houses have been reduced to rubble. Façades are still standing, but all around, homes are no longer habitable.

Water and food are now being distributed in bare-minimum rations. The continuing tremors, however, pose a danger to people living near damaged buildings, and the Government is contemplating evacuating the entire zone.

The Government estimates it must feed 250,000 people in the capital for at least 30 days, and permanently re-house 100,000 whose homes cannot be saved.

In the countryside, the situation is still almost as it was a few hours after the earlier disasters. A long list of towns and villages in the provinces of Chimaltenango, Sacatepequez, Guatemala, El Progreso, Zacapa and Alta Verapaz have been partially or totally destroyed.

In San Martin Jilotepeque, 1,200 of the 4,500 inhabitants died. In the town of El Progreso, more than 600 people, including Governor Edmundo Oliva Agustin, were killed.

In other villages, where helicopters have merely touched down, disaster teams have been able to take only a cursory look at the damage, but no aid has arrived.

The affected area is large (15,000 square miles) and populous (210,000 inhabitants), and innumerable landslides have cut most roads out of the capital.

Even the 30-mile highway to the former capital of Antigua is impassable. A convoy of lorries carrying an entire U.S. field hospital reached Chimaltenango on Friday after making a detour, but new landslides *have turned back other vehicles* carrying supplies.

Helicopters

Eight U.S. Army Chinook helicopters should arrive this week, bringing in supplies and taking out the wounded, but, until the roads reopen, only the most desperate cases can be treated. Many with broken limbs may have to wait days or even weeks for attention.

In Guatemala City itself, many modern cement buildings have become so unsafe that they must be demolished.

The country's main export crops — coffee, sugar and cotton — have been unaffected, however, while the domestic food marketing system should be operating again within one month.

Barcelona riot police lose control as Catalans take to the streets

BY ROGER MATTHEWS

MADRID, Feb. 8.

RIOT POLICE temporarily lost control of parts of central Barcelona to-day as tens of thousands of demonstrators took to the streets on foot and in cars to demand a general political amnesty and autonomy for the Catalan region.

For five hours the main streets of Spain's second largest city echoed to the noise of police firing volley after volley of tear gas, smoke bombs and rubber bullets and the rhythmic sound of the chant—"Amnesty, Liberty and Autonomy."

Dozens of people were arrested and others injured during police baton charges. Several times police smashed motorists' windows with rifle butts, hauled out the occupants and clubbed them.

Repeatedly, the main avenue of Paseo de Gracia and surrounding streets were totally choked by demonstrators' cars allowing the Catalan national flag to be paraded. Thousands grouped on street corners to take up the chant.

As soon as police dispersed one group of demonstrators, another formed and at times there were six or more simultaneous centres of action. Although large police reinforcements had been called in, they were at times forced to watch hopelessly as the demonstrators taunted them and then made off.

Police chased groups into churches, bars and one five-star hotel. Later officers were also deployed on rooftops from where they hurled tear-gas and smoke bombs. In other areas, mounted squadrons were in action with water cannon.

According to many Catalans, to-day's protest was the biggest the city had witnessed since the Civil War. It was called by the Catalan Assembly, which brings together the leaders of various cultural, district and semi-political organisations but was also tacitly backed by most opposition parties ranging from extreme Left to centre Right.

The sense of Catalan nationalism was tangible with people in middle-class areas of the city coming out on their balconies to cheer and wave white handkerchiefs to the demonstrators. On several occasions smoke bombs, either intentionally or through bad aiming, crashed into flats.

Unlike Madrid, the Barcelona demonstrators obviously feel that the bulk of the population is on their side and they are able to take refuge in apartments when surrounded by police.

To-day's show of anti-Government feeling, coupled with last Sunday's demonstration, clearly brings Catalan regionalism to the forefront of the problems facing the Government of King Juan Carlos.

With special buses bringing in many hundreds from outlying areas, the degree o funity revealed seems likely to be maintained as long as the regime set itself against moves towards Catalan autonomy and more rapid political liberalisation.

Sr. Fraga Iribarne, the Minister of the Interior, is sure to come under renewed fire from hard-liners for ordering the police to use milder tactics than had been employed during General Franco's rule. The hard-liners may also point to the fact that several hundred leaders of the illegal "workers' commissions" were able to hold a policy meeting without police interference.

Nor is the Minister of Information punishing newspapers for reporting such meetings.

However the Government has partly defused one potential point of violent conflict by substantially amending the anti-terrorist law, introduced last summer. The death penalty will no longer be obligatory for people convicted of killing police officers, nor will they have to be tried by summary court-martial.

China's new Premier may be more than stopgap

By Colina MacDougall

HUA KUO-FENG, member of the Communist Party's politbureau and, since January, 1975, a vice-premier, has been appointed China's Acting Premier.

The news was printed prominently yesterday on the front page of the official Peking paper, the People's Daily.

Although it is still not clear whether his appointment is only temporary, the publicity given to the announcement suggeets that it is an important political move and that he may therefore be more than a stopgap.

Not confirmed

Although Hua's appointment may have been made by party leaders who some observers in Peking believed to have been meeting last week, it does not appear to have been confirmed by the National People's Congress which constitutionally should appoint the Premier.

That Hua should succeed to the job rather than Teng Hsiao-Ping, who was unofficially acting as Premier last year while the late Chou En-Lai was in hospital, comes as a surprise.

However Teng's support in the early 1960s of policies later condemned as revisionist, and his disgrace during the Cultural Revolution, when he was attacked as China's "Number Two Capitalist-roader," may still count against him despite his rise to high party office since 1974.

The People's Daily article last Friday, ostensibly about educational changes, attacked "unrepentant capitalist-roaders" *who, though criticised* and repudiated during the Cultural Revolution, still refused to reform.

Importance

Recent emphasis in the Press has been on putting politics ahead of the economy. The important New Year editorial in the People's Daily noted that Chairman Mao's "latest instruction" stressed the importance of class struggle, putting it ahead of "stability, unity, enocomic construction and all other work."

It still remains possible, however, that Teng, who for many years was the Secretary-General of the Communist Party, is destined to be chairman when Mao Tse-tung finally leaves the scene. The prominence he has had during the past year suggests that in some quarters he commands a great deal of support. If so, this would account for the appointment of Hua.

Rail unions warn over fare rises

By Our Labour Correspondent

RAIL UNION leaders have stepped up their campaign to persuade the Government to maintain the rail network at roughly its existing size and withhold further fare rises which they fear could drive away more passengers.

Mr. Sid Weighell, general secretary of the National Union of Railwaymen, the largest of the industry's three unions, warned the Labour Party at the *week-end not to take the rail* unions for granted nor underestimate the "electoral consequences of a discriminatory attack on rail users."

Special grants

In a speech to NUR members in Newcastle, Mr. Weighell stressed his union's annual contribution to the Labour Party, presently running at about £30,000, and the £60,000 of special grants to the party's 1974 election funds.

He later made it quite clear, though, that the unions were not threatening to withdraw financial support for the party and said the NUR was even considering making additional funds available.

This stance was strongly supported by Mr. Tom Bradley, president of the Transport and Salaried Staffs Association, who is also Labour Party chairman. He said any moves to reduce financial support would be "counter productive to the unions' efforts to persuade Government by democratic means to preserve our railway network."

Reaction

Mr. Weighell's message was, basically, that rail passengers—hit by fare increases of over 50 per cent. last year and now facing further 10-17 per cent. rises next month—may well in consequence react against the Labour Party in the next election.

His aim is clearly to influence Government thinking before final decisions are taken on the transport policy review, which is expected to be published in about six weeks' time.

The unions fear the Government will not grant sufficient subsidy to the BR Board and so make fare increases inevitable.

Before then, however, the rail unions are to have further talks with Mr. Anthony Crosland, the Environment Secretary, and with the British Rail Board.

Treasury plan on 'fiscal drag' may be used in new pay talks

BY ANTHONY HARRIS

A TREASURY plan first drawn up last year during the talks on the first round of pay restraint may have a part to play in the negotiations now going on with the trade unions for Stage Two. This would involve adjusting tax thresholds so that an agreed percentage increased need not be reduced by the operation of "fiscal drag."

Mr. Denis Healey, Chancellor of the Exchequer, is known to be *anxious to reach final agree*ment with the unions before he presents his Budget on April 6, so that any income tax changes agreed could be made in due time.

While Treasury officials have always been rigorously opposed to any commitment to the indexation of the tax system, this approach would involve no firm commitment for the future and would be offered in exchange for the achievement of urgent policy objectives.

At its simplest, such an agreement could take the form that any agreed percentage pay increase would be matched by an equal percentage increase in the thresholds for the various rates of income-tax.

*The effect would be particu*larly beneficial for the low-paid, and the offer might thus appeal to Mr. Jack Jones, general secretary of the Transport and General Workers' Union, and his sympathisers.

An adjustment of tax threshold, which could be represented as a partial adjustment for past inflation, would have the effect of ensuring that those higher up the pay scale would get more benefit even from a partially flat-rate pay policy.

At the same time, those earning above £5,000 a year have also suffered severely from the falling real value of the lower rate pay bands.

A further argument for such *a strategy has emerged in recent* weeks with Mr. Jones's insistence that a new pay deal should contain a flat-rate element. Mr. Healey has said several times tha: he is worried about the compression of pay differentials.

Continued from Page 1

Capital captured by MPLA

only represents the end of the rival capital but the capture by the MPLA of a key city on the strategic Benguela railway line running from the Angolan Atlantic coast into Zaire and through to Zambia.

The Marxist forces are already close to occupying the coastal railhead at Lobito, and have also advanced at the other end of the railway from the easternmost railway station at Teixeira da Sousa to Lumege, and are approaching Luso.

It is conceivable that the entire railway line could be in MPLA hands in the near future.

With Zambia dependent on the railway for much commercial traffic, President Kaunda may also be under pressure to end support of FNLA and Unita and recognise the MPLA regime.

One major unknown factor remains the exact location on the southern front of South Africa's regular armed forces, who have been fighting in support of the Huambo alliance since last October.

Pretoria's announcement that it will keep forces in Angola to defend the border area with Namibia makes it appear that MPLA forces and their Cuban allies will confront a strong South African front line sooner or later.

The visit to Luanda last week by Mr. Sam Nujoma, the president of SWAPO, the Namibia liberation movement, and the announcement that SWAPO is to start negotiations for setting up a Luanda office will reinforce the South African determination to stop further infiltration of SWAPO guerillas into Namibia.

Continued from Page 1

Confrontation likely over role of NEB

Goodman has been called in at the suggestion of Sir Kenneth Keith, and with the knowledge of the Government.

On the assumption that the Government cannot be deflected from its intention of transferring its Rolls-Royce stake to the NEB, the feeling at the company is that the NEB should adopt a more passive role instead of the positive one Lord Ryder appears to want.

This certainly does not satisfy Sir Kenneth Keith, who is a strong personality in his own right and who has become accustomed, since he was appointed to the chairmanship, to run Rolls-Royce the way he wants it run.

He has travelled extensively worldwide to seek business and conduct many negotiations on new engine programmes and export sales personally, such as the recent major sale of Spey engines to China.

Sir Kenneth said yesterday: "We have gone a long way towards making Rolls-Royce long-term viable. The whole thing works, and I can't quite see what role the NEB is going to play. Two people can't run one business."

Apart from any differences of view between the Rolls-Royce chairman and Lord Ryder, Rolls-Royce has several reasons for not wanting to be put under the NEB.

The most significant is that it would add another layer of decision-taking between itself and the Government at a time when substantial policy decisions, especially on the financing of new engine programmes, are imminent.

Rolls-Royce also argues that its business is essentially international, requiring extensive and close relations with many Government departments—Defence, Industry, Trade, and Treasury and the Foreign Office—all of which are complex and sometimes of a secret nature.

Rolls can point to its "hands-off" agreement with the Government, which has applied since it was nationalised, in arguing its case for the continuation of a "financial holding" type of relationship.

Neither Ferranti nor Alfred Herbert, for example, can call on such precedent, but the non-executive chairman of Herbert, Mr. John Buckley, is understood to claim a clear understanding with Lord Ryder that the Herbert Board will be very much in charge, and free to make its own decisions.

THE LEX COLUMN

Fresh turn to the Newman affair

The Newman Industries affair took a bizarre twist over the weekend. Late on Friday evening, the company issued a statement claiming that a draft report prepared by Schroders and Mr. J. Harman QC on last summer's acquisition of certain investments and liabilities from Thomas Poole and Gladstone had come to the conclusion that "it was not unreasonable for the Board of Newman to have recommended the transaction to shareholders." But there were two unsettling features about the statement. First, it concluded with the news that Mr. Angus Murray, the non-executive director who brought the affair into the public eye in the first place, had "ceased to be a member of the Board." Mr. Murray claimed yesterday that he had been removed from the Board against his will.

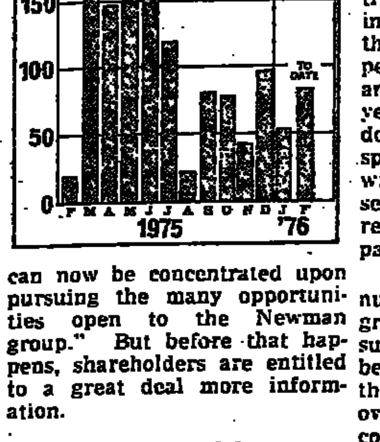
Secondly, the statement could be read as though it were intended to be the last word on the subject. No mention is made of a final report, as opposed to a draft, or of when full details will be circulated to shareholders.

The deal with TPG, which has a 25 per cent. holding in Newman and shares the same chairman and deputy chairman, was approved by shareholders last July in the face of active opposition led by the Pru. A second proposal, whereby Newman would have acquired a block of shares in TPG from Strongpoint (a private company owned by the chairman and his deputy) was adjourned, and Newman declared that it would not be voted on until "Schroder Wagg's report is in shareholders' hands."

But this condition does not now apply, since Newman no longer intends to go ahead with the Strongpoint deal. TPG shares were suspended last autumn at 3½p, against the 10p per share which Newman proposed to offer.

Mr. Murray claims that a Board meeting on Friday afternoon he refused to endorse the statement because he had only seen one sentence extracted from the draft report, and that he then declined an invitation to resign since he would have preferred to remain a director at least until the Schroder report was published. Thereupon, according to Mr. Murray, he was unanimously voted off the Board by his fellow-directors.

The Newman affair raised a great deal of heat last summer, for although the transactions involved relatively small sums of money, they raised a number of extremely sensitive issues—including the role of non-executive directors, and the responsibilities of institutional shareholders. Last Friday's statement declared that "every resource



can now be concentrated upon pursuing the many opportunities open to the Newman group." But before that happens, shareholders are entitled to a great deal more information.

U.S. Underwriting

Early indications of the results from the U.S. non-life companies confirm the steadily more pessimistic view being taken throughout the past 12 months on the size of the underwriting losses of the seven major U.K. composites. In what is likely to have been the U.S. property and casualty business's worst year, total losses are estimated to have risen by over 60 per cent. to $4.2bn., or a combined operating ratio of 107.8 per cent., according to A. M. Best and Co.

The continued deterioration has meant that estimates of the U.K. companies' 1975 results have switched from a projected improvement of possibly £30m. last summer to forecasts now of an increased loss of around £25m., with a steady downgrading also of the extent of the recovery forecast for 1976. The particular problems of the Commercial Union, where world-wide underwriting losses are expected to have increased by about £45m. last year, overshadow these estimates, of course, though the projected losses of most of the other companies with big U.S. interests (apart from the Royal) have also been revised upwards.

The main problem in the U.S. has been in private automobile lines, (accounting for over a half of all losses), where the operating ratio is expected to have deteriorated by points to 114 per illustration of the pr been the announc Government Employ ance, an auto special final quarter 1975 ur losses were $65m. fo the year of $140m., a *While this is pr* extreme example from its reserving there are only now b be signs of a turn fo try as a whole. I increases have bee through recently — perhaps 20 per ce annually—but this is years of virtually no double-edged impac spread of no-faults with an increase severity, and a ris repair costs of a sixth past car in 1975 alo

Even though an number of states granting rate increas summer, there is oft before they come int their impact is anyw over 12 months a come up. So the recovery is unlikely through fully until half of the year. C U.S. Insurance Servic estimated that rate i 1975 in the main moto and liability lines s lifted earned premiu cent. last year a increase them by 17. in 1976.

General Accident volved in the auto se accounts for about 4 of its U.S. premiu while both Commer and Royal have just c cent. from motor bu though both GA and ported sizeable losses in the U.S. at month stage, there w a stabilisation and should be coming th quickly at the Royal the earlier improv general liability after increases a year ago.

Commercial Union much the enigma an the midst of a major of cutbacks, so it is show a significant rec later in 1976. Altho expected to show earnings gain for the whole—a rise of quarter times against gain of 45 per cent. a brokers Wood Mack shares have noticeab behind during the re tor strength of the las

Weather

U.K. TO-DAY

BRIGHT spells. Some rain.

London, E. Anglia, Midlands, Channels Is., S.E., Cent. S., E. Cent. N. England

Dry, then cloudy with rain. Fog patches clearing. Wind S. light, becoming freesh or strong. Max. 11C (52F).

Wales, Lakes, I. of Man, S.W. and N.W. England, Glasgow, Argyll, W. Scotland, N. Ireland

Rain. Wind S., fresh or strong, with gales in exposed places at first, moderating later. Max. 11C (52F).

N.E. England, Rest of Scotland

Rain. Wind S., fresh or strong, perhaps gale. Max. 8C (46F).

Outlook: Showers in N.

Lighting-up: London 17.32, Manchester 17:36, Glasgow 17.36, Belfast 17.47.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Alexndria.	C	14	57	Madrid	S	9	48
Amstrdm.	C	2	36	Manchstr.	F	9	49
Athens	C	3	38	Melbourne	S	25	77
Bahrain	S	20	68	Mexico C.	S	19	64
Barcelona	S	14	57	Milan	S	5	41
Belfast	S	6	43	Montreal	Sn	−8	20
Belgrade	S	−5	23	Moscow	Sn	−7	19
Berlin	S	0	32	Munich	C	−2	28
Birmghm.	C	8	46	Newcastle	R	5	41
Bristol	F	9	48	New York	S	−4	25
Brussels	C	3	37	Oslo	Sn	−7	19
Budapest	S	−4	25	Paris	S	9	48
B. Aires	S	25	77	Perth	S	36	96
Cairo	S	22	72	Prague	S	−1	30
Cardiff	R	9	48	Reykjavik	F	1	34
Cologne	R	2	36	Rio de J'o	C	30	86
Copnhagn.	S	−1	30	Rome	F	12	54
Dublin	S	8	46	Singapore	C	30	86
Edinb'gh	R	8	46	Stockholm	S	−3	27
Frankfurt	C	1	34	Strasb'rg.	C	1	34
Geneva	C	0	32	Sydney	R	23	73
Glasgow	C	7	45	Tehran	C	11	52
Helsinki	S	−3	28	Tel Aviv	C	18	64
H. Kong	S	20	68	Tokyo	S	8	47
Jo'burg	C	23	73	Toronto	C	−4	25
Lisbon	S	11	52	Vienna	S	−1	30
London	R	7	45	Warsaw	S	−6	21
Luxembg.	C	−1	30	Zurich	C	0	32

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	C	13	55	Istanbul	Sn	−3	27
Algiers	F	17	63	Jersey	S	8	46
Biarritz	C	12	54	Las Plms.	F	19	66
Blackpool	C	7	45	Locarno	C	3	37
Bordeaux	C	10	50	Majorca	S	17	63
Boulogne	C	6	43	Malaga	S	16	61
Casablnca.	F	16	61	Malta	C	11	52
Cape Town	S	25	77	Nairobi	S	24	75
Corfu	S	6	43	Naples	S	9	48
Cyprus	C	11	52	Nassau	C	20	68
Dubrovnik	S	8	46	Nice	C	13	55
Faro	S	16	61	Oporto	C	12	54
Florence	S	10	50	Rhodes	S	7	45
Funchal	C	17	63	Salzburg	S	1	34
Gibraltar	S	15	59	Tangier	S	15	59
Guernsey	C	9	48	Tenerife	C	14	57
Innsbruck	S	6	43	Tunis	S	14	57
Inverness	F	9	48	Valencia	S	17	63
I. of Man	S	8	46	Venice	S	4	39

S—Sunny. F—Fair. C—Cloudy. R—Rain. Sn—Snow.

Snow reports Page 2

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